# IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF MISSISSIPPI

IN RE: JOHN SCOTT EDMONDSON

REGIONS BANK f/k/a
UNION PLANTERS BANK, NA

CLAIMANT/MOVANT

VS.

CASE NO. 10-12405-DWH Chapter 7

#### JOHN SCOTT EDMONDSON

**DEBTOR/RESPONDENT** 

#### MOTION TO LIFT STAY AND ABANDON COLLATERAL

COMES NOW, Regions Bank, Claimant/Movant herein, by and through counsel of record, and moves this Court to lift the automatic stay provided by 11 U.S.C. §362 and abandon certain collateral pursuant to 11 U.S.C. §554(b) as described in the attached security documents, and in support would show unto the Court as follows, towit:

- Claimant/Movant, Regions Bank is a Mississippi corporation, and its principle place of business is located in Grenada, Mississippi.
- Debtor/Respondent is an adult resident citizens of Calhoun County,
   Mississippi, and are the debtors herein.
- 3. Regions is a secured creditor by virtue of a \$120,000.00 promissory note and deed of trust made against 1.14 acres of land at 150 CR 429, Vardaman, Mississippi. A copy of said promissory note, deed of trust and security agreement are attached hereto and made a part hereof collectively as Exhibit "A".
  - 4. Regions is a secured creditor by virtue of a \$240,000.00 promissory note

and deed of trust made against 1.14 acres of land at 150 CR 429, Vardaman,

Mississippi. A copy of said promissory note and deed of trust are attached hereto and
made a part hereof collectively as Exhibit "B".

- 5. Regions is a secured creditor by virtue of a \$30,529.00 promissory note and associated deed of trust made against 1.14 acres of land at 150 CR 429, Vardaman, Mississippi. A copy of said promissory note and deed of trust are attached hereto and made a part hereof collectively as Exhibit "C".
- 6. The Debtor is in arrears in the amount of \$338,985.66, has become insolvent and has experienced an adverse change to his financial status. Fore these reasons, the Debtor is in default. This past due amount of \$338,985.66 now stands in default with interest continuing to accrue, plus attorney's fees and court costs in accordance with the terms of the loan documents.
- 7. The Debtor has not filed a proposed plan of reorganization and has made no arrangements to pay Regions for this indebtedness.
- 8. Since the notes are past due and payable, good cause exists to lift the automatic stay and allow Movant to commence foreclosure proceedings on said instruments and take possession of the collateral.
- 9. There is no equity in said collateral for the benefit of the estate of the Debtor and same should be abandoned pursuant to 11 U.S.C. §554(b) and the stay lifted thereto.

WHEREFORE, Regions Bank requests that this Honorable Court lift the automatic stay provisions of 11 U. S. C. § 362 (a) of the Bankruptcy Code thereby

allowing Movant to take possession of the collateral

RESPECTFULLY SUBMITTED, this the 25th day of June, 2010.

Regions Bank

/s/ R. Adam Kirk

R. Adam Kirk, MSB# 101240 Gore, Kilpatrick & Dambrino, PLLC 135 First Street (38901) Post Office Box 901 Grenada, Mississippi 38902-0901 662.226.1891 (telephone) 662.226.2237 (facsimile) akirk@gorekilpatrick.com

**COUNSEL FOR MOVANT** 

#### **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing document was served upon the parties listed below by first class mail, postage prepaid, unless said party is a registered CM/ECF participant who has consented to electronic notice, and the Notice of Electronic Filing indicates Notice was electronically mailed to said party:

Matthew Y. Harris Rutledge, Davis & Harris, PLLC PO Box 29 New Albany, Mississippi 38652 mharris@rahlaw.net

Stephen P. Livingston Chapter 7 Trustee P.O. Drawer 729 New Albany, MS 38652 stevel@datalane.net

U.S. Trustee 100 W. Capitol Street Suite 706 Jackson, MS 39269 USTPRegion05.AB.ECF@usdoj.gov

This the 25<sup>th</sup> day of June, 2010.

/s/ R. Adam Kirk R. Adam Kirk, MSB# 101240

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REGIONS & **BANK** 

PROMISSORY NOTE

VERP6

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or items.

Any item above containing "\*\*\*" has been omitted due to text length limitations.

Borrower:

JOHN SCOTT EDMONDSON

150 CR 429

VARDAMAN, MS 38878-9328

REGIONS BANK CALHOUN CITY

211 NORTH MAIN STREET CALHOUN CITY, MS 38916

Principal Amount: \$120,000.00

Initial Rate: 9,250%

Date of Note: March 21, 2007

PROMISE TO PAY. JOHN SCOTT EDMONDSON ("Borrower") promises to pay to REGIONS BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of One Hundred Twenty Thousand & 00/100 Dollars (\$120,000.00), together with interest on the unpaid principal balance from March 21, 2007, until paid in full.

PAYMENT. Subject to any payment changes resulting from changes in the index, Borrower will pay this loan in 6 payments of \$24,148.49 each payment and an irregular last payment estimated at \$24,148.45. Borrower's first payment is due March 20, 2008, and all subsequent payments are due on the same day of each year after that. Borrower's final payment will be due on March 20, 2014, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accrued unpaid interest; and then to principal. The annual interest rate for this Note is computed on a 365/380 basis; that is, by applying the ratio of the annual interest rate over a year of 360 days, mitigalled by the contextention principal. days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

VARIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an index which is the Regions Financial Corp. Commercial Base Rate - Daily (the "Index"). The Index is not necessarily the lowest rate charged by Lander on its loans and is set by Lender in its sole discretion. If the Index becomes unavailable during the term of this loan, Lender may designate a substitute index after notifying Borrower. Lender will tell Borrower the current Index rate upon Borrower's request. The interest rate change will not occur more often than each day. Borrower understands that Lender may make loans based on other rates as well. The Index currently is 8.250% per annum. The interest rate to be applied to the unpaid principal balance during this Note will be at a rate of 1.000 percentage point over the Index, resulting in an initial rate of 9.250% per annum. NOTICE: Under no circumstances will the interest rate on this Note be more than the maximum rate allowed by applicable law. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date, (B) Increase Borrower's payments at the same amount and Increase Borrower's final payment. amount and increase Borrower's final payment.

PREPAYMENT. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the subject to refund upon early payment without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: REGIONS BANK, CALHOUN CITY, 211 NORTH MAIN STREET, CALHOUN CITY, MS 38916.

LATE CHARGE. If a payment is 15 days or more late, Borrower will be charged 4.000% of the unpaid portion of the regularly scheduled payment or \$5.00, whichever is greater.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, at Lender's option, and if permitted by applicable law, Lender may add any unpaid accrued interest to principal and such sum will bear interest therefrom until paid at the rate provided in this Note. Upon default, the total sum due under this Note will continue to accrue interest at the interest rate under this Note. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower falls to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or insolvency. The death of Borrower or the dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or recording and the same of the same of the claim which is the basis of the creditor or recording the same of the claim which is the basis of the creditor or recording the same of the claim which is the basis of the creditor or recording the same of the claim which is the basis of the creditor or recording the same of the claim which is the basis of the creditor or recording the same of the claim which is the basis of the creditor or the same of the claim which is the basis of the creditor or the same of the claim which is the basis of the creditor or the same of the claim which is the basis of the creditor or the same of the claim which is the basis of the creditor or the same of the claim which is the basis of the creditor or the same of the claim which is the basis of the creditor or the same of the claim which is the basis of the creditor or the same of the claim which is the basis of the creditor or the same of the claim which is the basis of the creditor or the same of the claim which is the basis of the creditor or the same of the same o forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of a death, Lender, at its option, may, but shall not be required to, permit the guarantor's estate to assume unconditionally the obligations arising under the guaranty In a manner satisfactory to Lender, and, In doing so, cure any Event of Default.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. It any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deams in Lender's sole discretion to be sufficient to cure the default and thereafter

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continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

JURY WAIVER. Lender and Borrower hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Mississippi without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Mississippi.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

COLLATERAL. Borrower acknowledges this Note is secured by Real Estate Deed of Trust dated 03/21/2007 from borrower, covering Real Estate located at710 Hwy. 8, Vardaman, Calhoun County, MS. and House and 1.14 acres land located at 150 CR 429, Vardaman, Calhoun County, MS

and Any and all equipment, including, but not limited to the attached list, as described in Security Agreement dated 03/21/2007 from borrower

ARBITRATION. Borrower and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Note or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to take or dispose of an occilateral recurring this Note shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any collateral securing this Note, including any claim to rescind, reform, or otherwise modify any agreement relating to the collateral securing this Note, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Note shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.

REQUESTS FOR SPECIAL SERVICES. In general, there are no borrower-paid fees associated with the routine servicing of a loan or line of credit. Borrower, however, may occasionally find it necessary to request services for which there is a charge. The services that fall outside of routine servicing include, without limitation, providing the following documents upon request: amortization schedules, duplicate year-end statements, copies of loan documents or periodic statements, payment histories, and replacement coupon books. Borrower agrees to pay the fees imposed by Lender in connection with providing the requested services, as in effect from time to time. Borrower also agrees to pay facsimile or other fees imposed by Lender if these services are requested on an expedited basis. All such fees shall be fully earned and non-refundable, and shall be paid upon Lender's demand (provided, that Lender, in its discretion, may add the fees to the principal indebtedness due, and accrue interest thereon, and the same shall be due, if not sooner demanded by Lender, upon the maturity of the indebtedness without further demand). The fees shall not be deemed to be interest or charges for the use of money. If Borrower requests services or documents as part of Lender's procedures for resolving a billing error on a line of credit, Lender will not impose, or will reverse, the fee.

#### FSA/USDA. FSA - (ADDITIONAL PROVISION)

Note to be paid to acceptable level each operating cycle. Borrower to provide accounting of previous year's operation by February 15, and compliance with all terms and conditions of USDA - Farm Service Agency guarantee documents prior to consideration of the subsequent years advances. Payment of outstending principal is to be paid down to \$20.00 plus all accrued interest by February 15 each year until the maturity date on February 15, 20

#### FSA / USDA - (ADDITIONAL PROVISION)

Compliance is required with all terms and conditions of USDA - Farm Services Agency guarantee agreements and documents. Borrower agrees that "Default shall also exist if any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetland to produce or to make possible the production of an agricultural commodity, as further explained in 7 CFR Part 1940, Subpart G. Exhibit M."

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fall to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

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TT EDMONDSON

ASER PRO Landing, Var. 5,34.00,000 Capr. Harland Francisi Solutions, Inc., 1987, 2007. All Rights Reserved. - Sall R-1079LP-1020.PC TR-437336 PR-080



### REGIONS (A) BANK

### AGRICULTURAL SECURITY AGREEMENT

75° Emicipal & Historica (Manyley 150 Mayley References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular icen or right
Any item above containing """ has been omitted due to text length limitations.

Grantor:

JOHN SCOTT EDMONDSON

VARDAMAN, MS 38878-9328

Lander:

REGIONS BANK CALHOUN CITY 211 NORTH MAIN STREET CALHOUN CITY, MS 38916

THIS AGRICULTURAL SECURITY AGREEMENT dated March 21, 2007, is made and executed between JOHN SCOTT EDMONDSON ("Grantor")

GRANT OF SECURITY INTEREST. For valuable consideration, Grantor grants to Lender a security interest in the Collateral to secure the indebtedness and agrees that Lender shall have the rights stated in this Agreement with respect to the Collateral, in addition to all other rights which Lender may have by law,

COLLATERAL DESCRIPTION. The word "Colleteral" as used in this Agreement means the following described property, whether now owned or hereafter acquired, whether now existing or hereafter arteful, and wherever located, in which Grantor is giving to Lender a security interest for the payment of the Indebtedness and performance of all other obligations under the Note and this Agreement:

Any and all equipment, including, but not limited to the attached list

The Collateral includes any and all of Grantor's now owned or hereafter acquired farm equipment or agricultural mechinery, equipment, furnishings and fixtures of every type and description, and all accessories, attachments, accessions, substitutions, replacements and additions furnishings and fixtures of every type and description, and all accessories, attachments, accessions, substitutions, replacements and additions furnishings and fixtures of every type and deproceeds derived or to be derived therefrom, including without limitation any equipment purchased with the proceeds, and all insurance proceeds and refunds of insurance permittions, it any, and eny attent may be due from third parties who may cause demage to any of the foregoing, or from any insurer, whether due to judgment, settlement or other process, and any and all present and future accounts, chattel paper, instruments, notes and monies that may be derived from the sale, lease or other disposition of any of the foregoing, any rights of Grantor to collect or enforce payment thereof as well to enforce any guaranties of the foregoing and security therefor, and all present and future general intangibles of Grantor in any way related or pertaining to the ownership, operation, or use of the foregoing, and any rights of Grantor with regard thereto.

CROSS-COLLATERALIZATION. In addition to the Note, this Agreement secures all obligations, debts and liabilities, plus interest thereon, of Grentor to Lender, or any one or more of them, as well as all oleims by Lender against Grantor or any one or more of them, whether now existing or hereafter erising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, flauldated or unliquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surrety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become bered by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise underforceable. me otherwise unenforceable.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Grantor's accounts with Lender (whether checking, savings, or some other account. This includes all accounts Grantor holds jointly with someone also and all accounts Grantor may open in the future. However, this does not include say IRA or Keegh accounts, or any trust accounts for which setoff would be prohibited by law. Grantor authorizes Lander, to the extent permitted by applicable law, to charge or satoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lander's charge and satoff rights provided in this paragraph. rights provided in this paragraph.

GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE COLLATERAL. With respect to the Colleges, Grentor represents and promises to Lender that:

Perfection of Security Interest. Grantor egrees to take whatever actions are requested by Lender to perfect and continue Lender's security interest. Upon request of Lender, Grantor will deliver to Lender any and all of the documents evidencing or constituting the Collateral, and Grantor will note Lender's Interest upon any and all chattef paper and instruments if not delivered to Lender for possession by Lender. This is a continuing Security Agreement and will continue in effect even though all or any part of the indebtedness is paid in full and even though for a period of time Grantor may not be indebted to Lender.

Notices to Lender. Grantor will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (1) change in Grantor's name; (2) change in Grantor's essumed business name(s); (3) change in the authorized signer(s); (4) change in Grantor's principal office address; (6) conversion of Grantor to a new or different type of business entity; or (7) change in any other sepect of Grantor that directly or indirectly relates to any agreements between Grantor and Lender. No change in Grantor's name or principal residence will take effect until after Lender has received notice.

No Violation. The execution and delivery of this Agreement will not violate any law or agreement governing Grantor or to which Grantor is

Entorceability of Collateral. To the extent the Collateral consists of accounts, chattel paper, or general intengibles, as defined by the Uniform Commercial Code, the Collateral is enforceable in accordance with its terms, is genuine, and fully compiles with all applicable laws and regulations concerning form, content and menner of preparation and execution, and all persons appearing to be obligated on the Collateral have authority and capacity to contract and are in fact obligated as they appear to be on the Collateral. There shall be no satoffs or counterclaims against any of the Collateral, and no spreament shall have been made under which any deductions or discounts may be claimed concerning the Collateral except those disclosed to Lender in writing.

Location of the Collateral. Except in the ordinary course of Grantor's business, Grantor agrees to keep the Collateral at Grantor's address shown above or at such other locations as are acceptable to Lender. Upon Lender's request, Grantor will deliver to Lender in form satisfactory to Lender a schedule of real properties and Collateral locations relating to Grantor's operations, including without limitation the satisfactory to Lender a schedule of real properties and Collateral locations relating to Grantor is renting or lessing; (3) all storage facilities following: (1) all real property Grantor owns or is purchasing; (2) all real property Grantor is renting or lessing; (3) all storage facilities Grantor owns, rents, lesses, or uses; and (4) all other properties where Collateral is or may be located.

Removal of the Colleteral. Except in the ordinary course of Grantor's business. Grantor shell not remove the Colleteral from its existing location without Lender's prior written consent. To the extent that the Colleteral consists of vehicles, or other titled property, Grantor shall not take or permit any action which would require application for certificates of title for the vehicles outside the State of Mississippi, without Lender's prior written consent. Grantor shall, whenever requested, advise Lender of the exact location of the Colleteral.

Transactions involving Collateral. Except for inventory sold or accounts collected in the ordinary course of Grantor's business, or as otherwise provided for in this Agreement, Grantor shall not sell, offer to sell, or otherwise transfer or dispose of the Collateral. Grantor shall not piedge, mortingage, enoumber or otherwise permit the Collateral to be subject to any lien, security interest, encumbrance, or shall not piedge, mortingage, enoumber or otherwise permit the Collateral to be subject to any lien, security interest, encumbrance, or shall not piedge, mortingage, enoumber or otherwise permit the Collateral to the security interest provided for in this Agreement, without the prior written consent of Lander. This includes security interests even if Junior in right to the security interests granted under this Agreement. Unless waived by Lender, all proceeds from any interests even if Junior in right to the security interests granted under this Agreement. Unless waived by Lender, all proceeds from any interests even if Junior in right to the security interests granted under this Agreement. Unless waived by Lender, all proceeds from any interests even if Junior in right to the security interest granted under this Agreement. Unless waived by Lender, all proceeds from any interest proceeds in the proceeds from any other funds; provided however, this requirement shall not constitute consent by Lender to any sale or other disposition. Upon receipt, Grantor shell immediately deliver any such proceeds to Lender.

Title. Grantor represents and warrants to Lender that Grantor holds good and marketable title to the Colleteral, free and clear of all liens

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#### AGRICULTURAL SECURITY AGREEMENT (Continued)

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and encumbrances except for the lien of this Agreement. No financing statement covering any of the Collaters is on file in any public office other than those which reflect the security interest created by this Agreement or to which Lender has specifically consented. Grantor shall defend Lender's rights in the Collateral against the claims and demands of all other persons.

Repairs and Maintenence. Grentor agrees to keep and maintain, and to cause others to keep and maintain, the Colleteral in good order, repair and condition at all times while this Agreement remains in effect. Grantor further agrees to pay when due all claims for work done on, or services rendered or material furnished in connection with the Colleteral so that no lien or encumbrance may ever attach to or be filed against the Colleteral.

Inspection of Colleteral. Lender and Lender's designated representatives and agents shall have the right at all reasonable times to examine and inspect the Colleteral wherever located.

Taxes, Assessments and Liens. Grantor will pay when due all taxes, assessments and liens upon the Colleteral, its use or operation, upon this Agreement, upon any promissory note or notes evidencing the Indebtedness, or upon any of the other Related Documents. Grantor may withhold any auch payment or may elect to contest any lien if Grantor is in good feith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Colleteral is not jeoperdized in Lender's sole opinion. If the Colleteral is subjected to a lien which is not discharged within lifteen [15] days, Grantor shall deposit with Lander seah, a sufficient corporate sucety bond or other security satisfactory to Lender in an amount adequate to provide for the discharge of the lien plus any interest, costs, extremely fees or other charges that could secure as a result of foreclosure or sale of the Colleteral. In any contest Grantor shall defend itself and Lender and shall satisfy any final adverse judgment before enforcement against the Colleteral. Grantor shall name Lender as an additional obliges under any surety bond furnished in the contest proceedings. Grantor further graces to furnish Lender with evidence that such taxes, assessments, and governmental and other charges have been paid in full and in a timely menner. Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Colleteral is not jeopardized.

Compliance with Governmental Requirements. Grantor shall comply promptly with all laws, ordinances, rules and regulations of all governmental authorities, now or hereafter in effect, applicable to the ownership, production, disposition, or use of the Colletters), including all laws or regulations relating to the undue erosion of highly-erodible land or relating to the conversion of westends for the production of an agricultural product or commodity. Grantor may contest in good faith any auch saw, ordinance or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Lander's interest in the Colletersi, in Lander's opinion, is not jeoperdized.

Hazardous Substances. Grantor represente and warrants that the Collateral never hear been, and never will be so long as this Agreement remeins a lien on the Collateral, used in violation of any Environmental Laws or for the generation, menufacture, storage, trensportation, treatment, disposel, release or threatened release of any Hazardous Substance. The representations and werranties contained herein are based on Grantor's due diligence in investigating the Collateral for Hazardous Substances. Grantor hereby (1) releases and walves any future claims against Lender for indemnity or contribution in the event Grantor becomes labels for eleanup or other costs under any Environmental Laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims and losses resulting from a breach of this provision of this Agreement. This obligation to indemnify and defend shall survive the payment of the indebtedness and the satisfaction of this Agreement

Maintenance of Casualty Insurance. Grantor shall procure and maintain all risks insurance, including without limitation fire, theft and liability coverage together with such other insurance as Lender may require with respect to the Collateral, in form, amounts, coverages and basis reasonably acceptable to Lender. Grantor, upon request of banks reasonably acceptable to Lender. Grantor, upon request of Lender, but the cheef right miss to time the policies or certificates of insurance form satisfactory to Lender, including styluistons that coverages will not be cancelled or diminished without at least ten (10) days' prior written notice to Lender and not including any disolaters of the insurer's liability for failure to give such a notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any and, omission or default of Grantor or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest, Grantor with provide Lander with such loss payable or other endorsements as Lender may require. If Grantor at any time fails to obtain or maintain any insurance as required under this Agreement, Lender may (but shall not be obligated to) obtain such insurance as Lender deems appropriate, including if Lender schoolses "single interest insurance," which will cover only Lender's Interest in the Colleterel.

Application of Insurance Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Colleteral, whether or not such cesualty or loss is covered by insurance. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. All proceeds of any insurance on the Colleteral, including accrued proceeds thereon, shall be held by Lender as part of the Colleteral. If Lender consents to repair or replacement of the damaged or destroyed Colleteral, Lender shall, upon satisfactory proof of expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration. If Lander does not consent to repair or replacement of the Colleteral, Lender shall retain a sufficient amount of the proceeds to pay all of the Indebtedness, and shall pay the belance to Grantor. Any proceeds which have not been disbursed within six (6) months after their receipt and which Grantor has not committed to the repair or restoration of the Colleteral shall be used to prepay the indebtedness.

Insurence Reserves. Lander may require Grantor to maintain with Lender reserves for payment of insurence premiums, which reserves shell be created by monthly payments from Grantor of a sum estimated by Lender to be sufficient to produce, at least filteen (15) days before the premium due date, emounts at least equal to the insurance premiums to be peld. If filteen (15) days before payment is due, the reserve funds are insufficient, Grantor shell upon demand pay any deficiency to Lender. The reserve funds shall be held by Lender as a general deposit and shall constitute a non-interest-bearing account which Lender may satisfy by payment of the insurance premiums required to be peld by Grantor as they become due. Lender does not hold the reserve funds in trust Grantor as they become due. Lender does not hold the reserve funds in trust Grantor as they become due. Lender does not hold the reserve funds in trust Grantor as they are not the agent of Grantor for payment of the insurance premiums required to be peld by Grantor. The responsibility for the payment of promiums shall remain Grantor's sink responsibility. Grantor's sole responsibility.

Insurance Reports. Grantor, upon request of Lender, shall furnish to Lander reports on each existing policy of insurance showing such information as Lender may reasonably request including the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured; (5) the then current value on the balls of which insurance has been obtained and the manner of determining that value; and (6) the expiration date of the policy. In addition, Grantor shall upon request by Lender (however not more often than annually) have an independent appreiser satisfactory to Lender determine, as applicable, the cash value or replacement cost of

Financing Statements. Grantor authorizes Lander to file a UCC financing statement, or elemetively, a copy of this Agreement to perfect Lender's security interest. At Lender's request, Grantor additionally agrees to sign all other documents that are necessary to perfect, protect, and continue Lender's security interest in the Property. This includes making sure Lender is shown as the first and only security interest holder on the title covering the Property. Grantor will pay all filling less, title transfer fees, and costs and costs involved unless prohibited by law or unless Lender is required by law to pay such fees and costs. Grantor irravocably appoints Lender to execute documents necessary to transfer title if there is a default. Lender may file a copy of this Agreement as a financing statement. If Grantor changes Grantor's name or address, or the name or address of any person granting a security interest under this Agreement changes, Grantor will promptly notify the Lender of such change.

GRANTOR'S RIGHT TO POSSESSION. Until default, Granter may have possession of the tengible personal property and beneficial use of all the Collateral and may use it in any lawful manner not inconsistent with this Agreement or the Related Documents, provided that Grantor's right to possession and beneficial use shall not apply to any Collateral where possession of the Collateral by Lender is required by law to perfect Lender's security interest in such Collateral. It Lender at any time has possession of any Collateral, whether before or after an Event of Default, Lender shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral if Lender takes such action for that purpose as Grantor shall not of fitself be deemed to be a failure to exercise reasonable care. Lender shall not be required to take any stops appropriate under the circumstances, but failure to honor any request by Grantor shall not of fitself be deemed to be a failure to exercise reasonable care. Lender shall not be required to take any stops appropriate under the circumstances, but failure to honor any request by Grantor shall not of fitself be deemed to be a failure to exercise reasonable care. Lender shall not be required to take any stops and the Collateral anglest prior parties, any propriets of parties and appropriate diven to accurate them to accurate them. 

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's Interest in the Colleteral or if Grantor fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Agreement or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, lens, security interests, encumbrances and other claims, at any time levied or placed on the Collateral and paying all costs for insuring, maintaining and prasserving the Collateral. All such expenditures incurred or paid by Lender for such purposes will then beer interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repsyment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be spontioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Agreement also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default. LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collectual or P

AGRICULTURAL SECURITY AGREEMENT (Continued)

Page 3

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Loan No: 11880551659010

Payment Default. Grantor falls to make any payment when due under the Indebtedness

Other Defaults. Grentor fells to comply with or to perform any other term, obligation, covenant or condition conteined in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition conteined in any other agreement between Lender and Grantor.

Default in Favor of Third Parties. Should Borrower or any Grantor default under any loan, extension of credit, accurity agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's or any Grantor's ability to repay the indebtedness or perform their respective obligations under this Agreement or any of the

Faise Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Agreement or any of the Related Documents causes to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or Nen) at any time and for any reason.

Death or Insolvency. The death of Grantor, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any collateral securing the indebtedness. This includes a garrishment of any of Grantor's accounts, including deposit secounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender moniss or a surety band for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or guarantor, endorser, surety, or accommodation party dies or becomes incompetent or revokes or disputes the validity of, or liability under, any Guaranty of the indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable end if Grantor has not been given a notice of a breach of the same provision of this Agreement within the preceding twelve (12) months, it may be cured if Grantor, after receiving written notice from Lender demanding cure of such default: (1) cures the default within lifteen (15) days; or (2) if the cure requires more than filteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce completes as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Agreement, at any time thereafter, Lender shall have all the rights of a secured party under the Mississippi Uniform Commercial Code. In addition and without limitation, Lender may exercise any one or more of the following rights and remedies:

Accelerate Indebtedness. Lender may declare the entire indebtedness, including any prepayment penalty which Grantor would be required to pay, immadiately due and payable, without notice of any kind to Grantor.

Assemble Collateral. Lender may require Grantor to deliver to Lender all or any portion of the Collateral and any and all certificates of title and other documents relating to the Collateral. Lender may require Grantor to assemble the Collateral and make it available to Lender at a place to be designated by Lender. Lender also shall have full power to enter upon the property of Grantor to take possession of and remove the Collateral. If the Collateral contains other goods not covered by the Agreement at the time of repossession, Grantor agrees Lender may take such other goods, provided that Lender makes reasonable efforts to return them to Grantor after repossession.

Sell the Collaterel. Lender shall have full power to sell, lesse, transfer, or otherwise desi with the Collateral or proceeds thereof in Lender's own name or that of Grantor. Lender may sell the Collateral at public auction or private sele. Unless the Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give Grantor, and other persons as required by law, reasonable notice of the time and place of any public sele, or the time after which any private sele or any other disposition of the Collateral is to be made. However, no notice need be provided to any person who, after Event of Default occurs, enters into and authenticates an agreement waiving that person's right to notification of sele. The requirements of reasonable notice shall be mat if such notice is given at least ten (10) days before the time of the sele or disposition. All expenses releting to the disposition of the Collateral, including without limitation the expenses of retaking, holding, insuring, preparing for sele and selling the Collateral, shall become a part of the indebtedness secured by this Agreement and shall be psychie on demand, with interest at the Note rate from date of expenditure until repaid.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Collateral, with the power to protect and preserve the Collateral, to operate the Collateral preceding foreclosure or sale, and to collect the Rents from the Collateral and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the appearent value of the Collateral exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

exceeds the indebtedness by a substantial amount. Employment by Lender shall not disquality a person from serving as a receiver. Collect Revenues, Apply Accounts. Lender, either itself or through a receiver, may collect the payments, rents, income, and revenues from the Colleteral. Lender may at any time in Lender's discretion transfer any Colleteral Into Lender's own name or that of Lender's nominee and receive the payments, rents, income, and revenues therefrom and hold the same as security for the indebtedness or apply it to payment of the Indebtedness in such order of preference as Lender may determine. Insofar as the Colleteral consists of accounts, general intangibles, insurance policies, instruments, chattal paper, choses in action, or similar property. Lender may demand, collect, receipt for, settle, compromise, selijust, sue for, foreclose, or realize on the Colleteral as Lender may determine, whether or not indebtedness or Colleteral is then due. For these purposes, Lender may, on behalf of and in the name of Grantor, receive, open and dispose of mail addressed to Grantor; change any address to which mail and payments are to be sent; and endors a notes, checks, drafts, money orders, documents of title, instruments and items pertaining to payment, silvment, or storage of any Colleteral. To facilitate collection, Lender may notify account debtors and obligors on any Colleteral to make payments directly to Lender.

Obtain Deficiency. If Lander chooses to sell any or all of the Colleges, Lender may obtain a judgment against Grantor for any deficiency remaining on the indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this Agreement. Grantor shall be liable for a deficiency even if the transaction described in this subsection is a sale of accounts or chattel

Other Rights and Remedies. Lender shall have all the rights and remedies of a secured creditor under the provisions of the Uniform Commercial Code, as may be smended from time to time. In addition, Lender shall have and may exercise any or all other rights and remedies it may have available at (aw, in equity, or otherwise.

Election of Remedies. Except as may be prohibited by applicable law, all of Lender's rights and remedies, whether evidenced by this Agreement, the Related Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Agreement, after Grantor's feliure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

#### FSA/USDA. FSA - (ADDITIONAL PROVISION)

Note to be paid to acceptable level each operating cycle. Borrower to provide accounting of previous year's operation by February 15, and compliance with all terms and conditions of USDA - Farm Service Agency guarantee documents prior to consideration of the subsequent years advances. Payment of outstanding principal is to be paid down to \$20.00 plus all accrued interest by February 15 each year until the maturity date on February 15, 20

#### FSA / USDA - (ADDITIONAL PROVISION)

Compliance is required with all terms and conditions of USDA - Farm Services Agency guarantee agreements and documents. Borrower agrees that "Default shall also exist if any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the

6007/40/90 

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#### AGRICULTURAL SECURITY AGREEMENT (Continued)

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conversion of wetland to produce or to make possible the production of an agricultural commodity, as further explained in 7 CFR Part 1940, Subpart G, Exhibit M.\*

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No atteration of or amendment to this Agreement shell be effective unless given in writing and signed by the party or parties sought to be charged or bound by the atteration or amendment.

and signed by the party or parties sought to be cherged or bound by the alteration or smandment.

Arbitration. Grantor and Lender agree that sil disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Agreement or otherwise, including without limitation contract and tort disputes, shell be environted pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filled, upon request of either party. No act to take or dispose of any Colleters shall constitute a waiver of this shirterion agreement or be prohibited by its arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining orders invoking a power of asis under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receivery or exercising any right esting to personal proparty, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of eny special, concerning any Colleteral, including any claim to rescaled, reform, or otherwise modify any agreement relating to the Collateral, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any sort of any party. Judgment upon any award rendered by any self-tration may be entered in any court having jurisdiction. Nothing in this Agreement shall precise only provided however that no out of compatent jurisdiction. Nothing in this Agreement shall precise only provided application as provided and the commencement of an action for these purposes. The Federal Arbitration Act shall expose on arbitration brought by a party shall be applicable in any stribution brought by a party shall be applicable in any stribution in the provision.

Attorneys' Fees; Expenses. Grantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Grantor stall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptoy proceedings (including afforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Grantor also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and ere not to be used to interpret or define the

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Mississippi without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State

No Walver by Lender. Lander shall not be deemed to have welved any rights under this Agreement unless such walver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a walver of such right or any other right. A walver by Lender of a provision of this Agreement shall not prejudice or constitute a walver of Lender's right otherwise to demend strict compliance with that provision or any other provision of this Agreement. No prior walver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a walver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, they transport to consent to Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required unlikely to the sole discontinuing of the sole discontinuing consent to subsequent instances where such consent is required and in all cases such consent they be shall not constitute continuing consent to subsequented or withheld in the sole discretion of Lander.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefactainile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formel written notice to the other parties, specifying that the purpose of the notice is to change the perty's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

Power of Attorney. Grantor hereby appoints Lender as Grantor's irrevocable attorney-in-fact for the purpose of executing any documents necessary to perfect, amend, or to continue the security interest granted in this Agreement or to demand termination of fillings of other secured peries. Lender may at any time, and without further authorization from Grantor, file a carbon, photographic or other reproduction of any financing attement or of this Agreement for use as a financing statement. Grantor will reimburse Lender for all expenses for the perfection and the continuation of the perfection of Lender's security interest in the Collaters.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be lilegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision lilegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the lilegality, invalidity, or unenforceability of any other provision of this Agreement shall not effect the legality, validity or enforceability of any other provision of this Agreement.

Successors and Assigns. Subject to any smitations stated in this Agreement on transfer of Grantor's interest, this Agreement shall be binding upon and inure to the benefit of the parties, thisis successors and sesigns. If ownership of the Colletonal becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deel with Grantor's cocessors with reference to this Agreement and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Agreement or liability under the

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Agreement shall survive the execution and delivery of this Agreement, shall be continuing in nature, and shall remain in toll force and effect until such time as Grantor's indebtedress shall be paid in full.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

Waive Jury. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, say require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means this Agricultural Security Agreement, as this Agricultural Security Agreement may be emended or modified from time to time, together with all exhibits and schedules attached to this Agricultural Security Agreement from time to time.

Borrower. The word "Borrower" means JOHN SCOTT EDMONDSON and includes all co-alguers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" meens all of Grantor's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

Default. The word "Default" means the Default set forth in this Agreement in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any end all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1990, as amended, 42 U.S.C. Section 9601, at seq. ("CERCIA"), the Superfund Amendments and Resulthorization Act of 1985, Pub. L. No. 99-499 ("SARA"), the Hezardous Materials Transportation Act, 49 U.S.C. Section 1801, at seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, at seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this

Grantor. The word "Grantor" means JOHN SCOTT EDMONDSON.

Quaranty. The word "Guaranty" means the guaranty from guarantor, endorser, aurety, or accommodation party to Lender, including vithout limitation a guaranty of all or part of the Note.

Loan No: 11880551659010

AGRICULTURAL SECURITY AGREEMENT (Continued)

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Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hezardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and sebestos.

Indebtedness. The word "indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Grantor is responsible under this Agreement or under any of the Related Documents. Specifically, without limitation, indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Agreement.

Lender. The word "Lender" means REGIONS BANK, its successors and assigns.

Note. The word "Note" means the Note executed by JOHN SCOTT EDMONDSON in the principal amount of \$120,000.00 dated Merch 21, 2007, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or

Preperty. The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Collaterel Description" section of this Agreement.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, society, agreements, mortgages, deeds of trust, security deads, collateral mortgages, and ell other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

GRANTOR HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS AGRICULTURAL SECURITY AGREEMENT AND AGREES TO ITS TERMS. THIS AGREEMENT IS DATED MARCH 21, 2007.

Bank #118 Loan #8055165-0002

#### **EXHIBIT "A"**

**DEBTOR: John Scott Edmondson** 

MAILING ADDRESS: 847 Hwy 8 E., Vardaman, MS 38878

All Crops, Farm Products, and Assignment of FSA Payments; whether any of the foregoing is owned now or acquired later; whether any of the foregoing is now existing or hereafter raised or grown; all accessions, additions, replacements, and substitutions relating to any of the foregoing (including all entitlements, rights to payment, and payments, in whatever form received, including but not limited to, payments under any governmental agricultural diversion programs, governmental agricultural assistance programs, the Farm Service Agency Wheat Feed Grain Program, and any other such program of the United States Department of Agriculture, or any other general intangibles or programs); all records of any kind relating to any of the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and accounts proceeds).

All equipment now owned or hereafter acquired including, but not limited to the attached list, and all parts, attachments, and accessories thereto to be kept when not in use at debtor's farm headquarters.

FARM PRODUCT	T	CROP	CROP	DESCRIPTION OF REAL ESTATE 84 acres owned by James C. Pittman, Farm #2251, S3, T21S, R8
DESCRIPTION	Quantity	CODE	YEAR	
Sweet Potatoes	All	183	2007	
Sweet Potatoes	All	183	2007	100 acres owned by Hiram Chip Davis, Jr., 22 Farm #1614, \$3, 26, 33, 34, T22N, R7E

### John Scott Edmondson Equipment List

John Deere 7210 Tractor s/n RWZ210H001241

1994 Chevrolet 4X4 Truck VIN 1GCEK1423P2147627

Bushhog 12' Mower s/n 100716

S & N 1000 Gal Water Wagon

Easly Mfg Seed Buggy

Easly Mfg Dirt Bedder

**Easly Mfg Plastic Roller** 

Signed for Identification: fle Sant Flux

900/900

03/20/2007 TUR 15:51 FAX Regions As Lending +++ JOHN HARMON

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OFTAND 2007. AND WAS RECORDED THIS THE 2 DAY OF CANADA 2007. IN SECOND OF PAGE 481-681

MARTHA MARTIN, CHANCERY CLERK

SPACE ABOVE THIS LINE IS FOR KES

WHEN RECORDED MAIL TO:

REGIONS BANK SATTN: DENISE K. SIMMONS

P O BOX 947

This Deed of Trust prepared by: JACKIE BLUE

**REGIONS BANK** 

GRENADA, MS 38902-0947

241-NORTH MAIN-STREET

Regions Bank

Attention: Denise Simmons

P. O. Box 947

Grenada, MS 38902-0947 642-227-2051

CALHOUN CITY: MO 30916 NOTE TO CHANCERY CLERK: House and 1.14 acres land located at 150 CR 429, Vardaman, Calhoun County, MS.

SEE ATTACHED EXHIBIT "A"

\*DOC23500011880551659010000000\*

#### DEED OF TRUST

THIS DEED OF TRUST is dated March 21, 2007, among JOHN SCOTT EDMONDSON, whose address is 150 CR 429, VARDAMAN, MS 38878-9328 and TIFFANY EDMONDSON, whose address is 150 CR 429, VARDAMAN, MS 388789328; HUSBAND AND WIFE ("Grantor"); REGIONS BANK, whose address is CALHOUN CITY, 211 NORTH MAIN STREET, CALHOUN CITY, MS 38916 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and Charles N. Parrot, Adams and Reese LLP, whose address is 111 E. Capitol St. Suite 350 (Zip 39201), PO Box 24297, Jackson, MS 39225-4297 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor conveys to Trustee for the benefit of Lender as Beneficiary all of Grantor's CONVEYANCE AND GRANT. For valuable consideration, Grantor conveys to Trustee for the benefit of Lender as Beneficiary all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or Irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in CALHOUN County, State of Mississippi:

See ATTACHED EXHIBIT "A", which is attached to this Deed of Trust and made a part of this Deed of Trust as if fully set forth herein.

The Real Property or its address is commonly known as 150 CR 429 AND 710 HWY 8, VARDAMAN , MS 38878

CROSS-COLLATERALIZATION. In addition to the Note, this Deed of Trust secures all obligations, debts and liabilities, plus interest thereon, of either Grantor or Borrower to Lender, or any one or more of them, as well as all claims by Lender against Borrower and Grantor or any one or either Grantor or Borrower to Lender, or any one or more of them, as well as all claims by Lender against portower and Grantor or any one of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or uniquidated, whether otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or uniquidated, whether otherwise, Borrower or Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this Deed of Trust is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Deed of Trust and to hypothecate the Property; (c) the provisions of this Deed of Trust do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor than the provisions of this Deed of Trust do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (including without limitation the creditworthiness of Borrower).

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a claim for deficiency.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Borrower and Grantor shall pay to Lender all Indebtedness secured by this Deed of Trust as it becomes due, and Borrower and Grantor shall strictly perform all their respective obligations under the Note, this Deed of Trust, and the Related Documents.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and

maintenance necessary to preserve its value. Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous 2880684

#### **DEED OF TRUST**

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Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws, Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in Investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lander's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender's retreat Lender's interest. reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. However, this option shall not be exercised by Lander if such exercise is prohibited by federal law or by Mississippi law

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the Obligation to pay, so long as Lender's interest in the Property is not leopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after the lien arises or, if a lien arise or lies filed, within fifteen (15) days after the lien arises or lies filed, within fifteen (15) days after the lien arises or lies filed, within fifteen (15) days after the lien arises or lies filed, within fifteen (15) days after the lien arises or lies filed, within fifteen (15) days after the lien arises or lies filed, within fifteen (15) days after the lien arises or lies filed as a feed of the filed arise filed arise filed are a feed of the filed arise secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obliges under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements

PROPERTY DAMAGE INSURANCE. The following provisions relating to Insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgages clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lander and issued by a company or companies reasonably acceptable to Lander. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintein Federal Flood Insurance, if available, for the full unpaid principal balance of the loan and any prior ilens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lander's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. If Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in almanner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any

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Document Page 16 of 56 proceeds after payment in full of the Indebtedness, such proceeds shall be p

Grantor's Report on Insurance. Upon request of Lander, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance shall upon request or Lander, nowever not more than once a year, Grantor shall turnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the expiration property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration of the policy. Grantor shall upon request of Lander, have an independent apprinter as independent apprinter. property insured, the then current repracement value or such property, and the manner or determining that value; and [b] the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor tails to comply with any provision of this Dead of Trust or any Related Documents, including but not limited to Grantor's failure to discharge or fails to comply with any provision of this Dead of Trust or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Dead of Trust or any Related Documents, Lender on Grantor's pay when due any amounts Grantor is required to discharge or pay under this Dead of Trust or any Related Documents, Lender on Grantor's pay when due any amounts Grantor is required to discharge or pay under this Dead of Trust or paying all costs for insuring, taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, termination of the Property. All such expenses will become a part of charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) the termination of any applicable insurance policy; or (2) the and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust remaining term of the Note; or (C)

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property In fee simple, free and clear of all liens Figure. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in tee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding to Lender shall be shall be shall be entitled to participate to be delivered to Lender such instruments as Lender may request from time to Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Dead of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsal of its own choice, and Grantor Letion shall be entitled to participate in the proceeding and to be represented in the proceeding by Course of the Course of the

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and Current faxes, rees and Unarges. Upon request by Lender, Grantor shall execute such documents in addition to this beed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse take whatever other actions are continued to the continue Lender's lien on the Real Property. Grantor shall reimburse take whatever other actions are continued to the co including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and below unless Grantor either (1) and the tax as provided above in the Taxes and the contest and decades with Lender and the contest an Denote the case of the last the last control in Decomposition of the case of the last as provided above the last of the last control of the last of th

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time. of this Deed of Trust:

Security interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a any time and without further authorization from Grantor in the Property interest. Upon financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall assemble any default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any default, Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to rurner Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designes, and when requested by Lender, cause to be filed, recorded, refiled, or be made, executed or delivered, to Lender or to Lender's designes, and when requested by Lender, cause to be filed, recorded, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any offices of further assurance, deads of trust, security deeds, security agreements, financing statements, continued in order to effectuate, complete, perfect, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, certificates, and other documents are such as the sole opinion of Lender, be necessary or desirable in order to effect under the lender of Lender as the sole of Trust as first and prior lians on the Property whether now owned or harmance. continue, or preserve (1) borrower's and Grentor's obligations under the Note, this Deed of Trust, and the Heisted Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter sequired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of ATTOMES'-IN-PROT. IT Grantor raiss to do any or the traings referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

#### **DEED OF TRUST**

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FULL PERFORMANCE. If Borrower and Grantor pay all the indebtedness where the following the indebtedness where the indebtedn upon Grantor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Renta and the Personal Property. Any reconveyance fee required by lew shall be paid by Grantor, if permitted by applicable law.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Borrower fails to make any payment when due under the Indebtedness.

Other Defaults. Borrower or Grantor fells to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filling of or to effect discharge of any lien.

Default in Favor of Third Parties. Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's ability to repay the Indebtedness or perform their respective obligations under this Dead of Trust or any other creditors.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Dead of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes felse or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or insolvency. The death of Borrower or Grantor, the insolvency of Borrower or Grantor, the eppointment of a receiver for any part of Borrower's or Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower or Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any property securing the repossession or any other method, by any creditor of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, Indebtedness. This includes a garnishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. indeptedness. This includes a gernishment of any of Borrower's or Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower or Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Borrower or Grantor under the terms of any other agreement between Borrower or Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Borrower or Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the Indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, permit the guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

Adverse Change. A material adverse change occurs in Borrower's or Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

curity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same right to cure. It any default, other than a default in payment is curable and it Grantor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured if Grantor, after receiving written notice from provision of this Deed of Trust within the preceding twelve (12) months, it may be cured if Grantor, after receiving written notice from Lender demanding cure of such default. (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (16) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may xercise any one or more of the following rights and remedies:

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate Indebtedness. Lender shall have the right at its option without notice to Borrower or Grantor to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Borrower would be required to pay.

Sale of Property. Grantor waives the provisions of Section 89-1-55, Mississippi Code of 1972, as amended, and any successor provisions, as far as said Section restricts the right of Trustee to offer at sale more than one hundred and sixty acres at a time, and Trustee may offer the Property as a whole or in part and in such order as the Trustee may deem best, regardless of the manner in which it may be described.

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall, at the request of Lender, sell the Real Property after glving notice of the time, place and terms of sale as required by Section 89-1-55 of the Mississippi Code of 1972, as amended, and any successor provisions, and execute a deed to the purchaser of the Real Property. Out of the proceeds arising from the sale, the costs and expenses of executing this Deed of Trust, including a reasonable Trustee's fee and the attorneys' fees prescribed in the Note or in this expenses of executing this Deed of Trust, shall first be paid; next the amount of the Indebtedness then remaining unpaid shall be paid; and, leatly, any balance remaining shall be paid; for the remaining shall be paid; and, leatly, any balance remaining shall be paid; for the remaining shall be paid; and, leatly, any balance remaining shall be paid to Grantor or to Grantor's representatives agents or assigns.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Borrower or Grantor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the collect the Rents in furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use indebtedness. In furtherance of this right, Lender may require any tenant or other users Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by endorse instruments received in payment thereof in the demand shall satisfy the obligations for which the payments are made, whether or tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without property and apply the proceeds, over and above the cost of the receiver shell exist whether or cost the engagest value of the Property. bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver

Tenancy at Sufference. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufference of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Dead of Trust or the Note or available at law or in equity.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any subject sale of the Personal Property or of the time Evoluce of Sale. Lender shall give Grantor reasonable notice of the time axis place of any private sale of the Personal Property of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with

Sale of the Property. To the extent permitted by applicable law, Sorrower and Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Dead of Trust, Lender shall be entitled Attorneys' rees; Expenses. If Lender insultates any suit or action to enforce any of the terms of this bedt of the receiver such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, bear interest at the Note rate from the date of the expenditure until repelo. Expenses covered by this paragraph include, without similated in however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, however subject to any limits under applicable law, Lender's attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure appears, and any anticipated post-judgment consecution services, the cost of seasoning records, obtaining this reports influently into reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Dead of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of CALHOUN County, State of Mississippi. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, State of Mississippi. The instrument shall be added to the matter of the successor trustee, and the Trustee, and Grantor, the book and page where this Dead of Trust is recorded, and the name and address of the successor trustee, and the Instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Dead of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

NOTICES. Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by shall be given in writing, and shall be effective when actually received by telefacsimile (unless otherwise required by shall be given in writing, and shall be effective when actually received by telefacsimile (unless otherwise required by shall be given in writing, and shall be effective when actually received by telefacsimile (unless otherwise required by shall be given in the United States mail, as first class, law), when deposited with a nationally recognized overright courier, or, if mailed, when deposited in the United States mail, as first class, law), when deposited with a nationally recognized overright courier, or, if mailed, when deposited in the United States mail, as first class, law), when deposited with a nationally recognized overright courier, or, if mailed, when deposited in the United States mail, as first class, law), when deposited with a nationally recognized overright courier, or, if mailed, when deposited in the United States mail, as first class, law), when deposited with a nationally recognized overright courier, or, if mailed, when deposited in the United States mail, as first class, law), when deposited with a nationally recognized overright courier, or, if mailed, when deposited in the United States and shall be effective when actually received by telefacsimile (unless otherwise required by telefa foreclosure from the holder of any lien which has priority over this Deed or Trust shall be sent to Lender's address, as shown hear the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

#### FSA/USDA. FSA - (ADDITIONAL PROVISION)

Note to be paid to acceptable level each operating cycle. Borrower to provide accounting of previous year's operation by February 15, and compliance with all terms and conditions of USDA - Farm Service Agency guarantee documents prior to consideration of the subsequent years advances. Payment of outstanding principal is to be paid down to \$20.00 plus all accrued interest by February 15 each year until the maturity date on February 15, 20

### FSA / USDA - (ADDITIONAL PROVISION)

Compliance is required with all terms and conditions of USDA - Farm Services Agency guarantee agreements and documents. Borrower agrees that "Default shall also exist if any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetland to produce or to make possible the production of an agricultural commodity, as further explained in 7 CFR Part 1940, Subpart G, Exhibit M.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as certified statement of net operating income received from the Property less all cash expenditures made in connection Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Arbitration. Borrower and Grantor and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Deed of Trust or otherwise, including without limitation contract and tort disputes, shall be arbitrated class in nature, arising from this Deed of Trust or otherwise, including without limitation contract and tort disputes, shall be arbitrated or pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to take or dispose of any Property shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any Property, including any claim to rescind, reform, or otherwise modify any agreement relating to the Property, shall also be arbitrated, provided however that no exhitizers shall have the right or the power to applying a restrain any act of any party. Judgment upon any award randayad by any arbitrator claim to rescind, reform, or otherwise modify any agreement relating to the Property, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Dead of Trust shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any srbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision. construction, interpretation, and enforcement of this arbitration provision.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Mississippi without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of Mississippi.

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Joint and Several Liability. All obligations of Borrower and Grantor under this Deed of Trust shall be joint and several, and all references to Grantor signing below is responsible for all obligations in this Deed of Trust.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing No waiver by Lender. Lender shall not be deemed to have waived any rights under this Dead of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exerclaing any right shall operate as a waiver of such right or any and signed by Lender. No delay or omission of this Dead of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to other right. A waiver by Lender of a provision of this Dead of Trust. No prior waiver by Lender, nor any course of demand strict compliance with that provision or any other provision of this Dead of Trust. No prior waiver by Lender, nor any course of demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, not any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or substituted in the sale discretion of Lender. granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any Severability. If a court of competent jurisdiction finds any provision of this beed of trust to be liegal, invalid, or unenforceable as to any other person or person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or person or circumstance. If feasible, the offending provision shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vasted in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waive Jury. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Mississippi as to all Indebtedness secured by this Deed of Trust.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words specifically stated to the contrary had been shall lead to the closed the closed to the contrary and terms and the closed the closed to the contrary had been shall lead to the closed to the contrary had been shall lead to the closed and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not one terms used in the singular shall involude the pierar, and the pierar shall include the singular, as the context may require otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means REGIONS BANK, and its successors and assigns.

Borrower. The word "Borrower" means JOHN SCOTT EDMONDSON and includes all co-signers and co-makers signing the Note and all

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default"

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances environmental Laws. The words Environmental Laws Theat any and as state, lederal and rocal statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, relating to the protection of human health or the environmental and state of the protection of human health or the environmental and state of the protection of human health or the environmental and state of the protection of human health or the environmental and state of the protection of human health or the environmental and state of the protection of the environmental and state of the protection of the protec

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Grantor. The word "Grantor" means JOHN SCOTT EDMONDSON and TIFFANY EDMONDSON.

The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, hazardous substances. The words "mazardous Substances" mean materials that, because or their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the anvironment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note of Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust. Trust. Specifically, without limitation, indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Deed of Trust.

Lander. The word "Lender" means REGIONS BANK, its successors and assigns.

Note. The word "Note" means the promissory note deted March 21, 2007, in the original principal amount of \$120,000.00 Note. The word "Note" means the promissory note dated March 21, 2007, in the original principal amount of \$120,000.00 from Borrower to Lander, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The maturity date of the Note is March 20, 2014. NOTICE TO GRANTOR: THE NOTE CONTAINS A

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter stached or affixed to the Real-Property; together with all accessions, parts, and additions to, all owned and all cultural property and together with all accessions. owned by Grantor, and now or nereatter attached or arrixed to the Heal-Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present end future rents, revenues, income, Issues, royalties, profits, and other benefits derived from

Trustee. The word "Trustee" means Charles N. Parrot, Adams and Reese LLP, whose address is 111 E. Capitol St. Suite 350 (ZIp -39201), PO Box 24297, Jackson, MS 39225-4297 and any substitute or successor trustees.

DEED OF TRUST 2880687 Filed 06/28/10 10:00:51 Page 7 CaseL1.0-102405951/45901Doc 30 Desc Main Page 20 of 56 Document EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND EACH GRANTOR AGREES TO ITS TERMS. GRANTOR: INDIVIDUAL ACKNOWLEDGMENT (3) SS COUNTY OF PUBLIC My Commission Expires: 07-19-2009

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EXHIBIT "A"

This EXHIBIT "A" is attached to and by this reference is made a part of the Deed of Trust, dated March 21, 2007, and executed in connection with a loan or other financial accommodations between REGIONS BANK and JOHN SCOTT EDMONDSON.

REMINDER TO LENDER TO ADD LEGAL DESCRIPTION..

THIS EXHIBIT "A" IS EXECUTED ON MARCH 21, 2007.

GRANTOR:

MS. SICRIPIGOLIC TR-43736 FN-50

2880688

EXHIBIT "A"

#### TRACT I:

1.14 acres, being the old home place of Paul L. Ellis and wife, Pauline E. Ellis, located in the NE 1/4 of the NW 1/4 of Section 31, Twp. 13 South, Range 1 East, Calhoun County, Mississippi, described as:

Beginning at an iron pin on the east line of County Gravel Road No. 429 at a point that is 581.65 ft. West and 773 ft. South of the NE corner of the NW 1/4 of Section 31; thence along the east line of said county gravel road go South 14°20'01" East 216.75 ft. to a pin in a gravel drive way; thence go East 210.00 ft. to a pin; thence North 210.00 ft. to a point; thence West 263.65 ft. to the point of beginning.

#### TRACT II:

A part and parcel of land in the NE 1/4 of the SW 1/4 of Section 10, Township 14 South, Range 1 East, particularly described by metes and bounds as follows: Beginning at a point on the South right-of-way line of Mississippi State Highway No. 8 as same is now located where said line intersects the West line of said Northeast 1/4 of the Southwest 1/4 at a point on said West line 571 feet South of the Northwest corner thereof; go thence South 122 feet to a point; thence East 408 feet to a point; thence North 251 feet to a point on the South right-of-way line of Mississippi State highway No. 8; go thence in a Westerly direction along and with the said South right-of-way line of said highway to the point of beginning, together with all improvements, buildings and structures situated thereon.

ALSO, two (2.0) acres located in a part of the Southwest 1/4 of Section 10, Township 14 South, Range 1 East, Calhoun County, Mississippi, and being more particularly described as follows: commencing at a found iron pipe on a fence line that is 502.66 feet East and 660 feet South of the Northwest corner of said Southwest 1/4 of Section 10; thence South 173.33 feet to a set iron pin; thence West 502.66 feet to a set iron pin on the top bank (East bank) of Cain Creek, thence North 173.33 feet to a set iron pin on an old fence; thence East along said fence 502.66 feet to the point of beginning, containing 2.0 acres.

Signed for Identification:

03/20/2007 TUE 15:50 FAX Regions As Lending +++ JOHN HARMON

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B AND E PACKING LLC 11800008159001SF2

Maturity: Principal Loan Date

· SOUCHE Loun No. 09-06-2007 06-15-2022 11800008359001

Verioes Adding

References in the sheded area are for Lender's use only and do not limit the applicability of this document to any particular foan or term.

Any Item above containing " \* \* \* has been omitted due to text length limitetions.

Borrower:

\$240,000,00

B & E Packing LLC 710 Hwy 8 E Vordemen, MS 36876 Lender:

REGIONS BANK CALHOUN CITY 211 NORTH MAIN STREET CALHOUN CITY, MS 38916

Principal Amount: \$240,000.00

Interest Rate: 8.750%

Date of Note: September 6, 2007

PROMISE TO PAY. 8 & E Packing LLC ("Borrower") promises to pay to REGIONS BANK ("Londer"), or order, in lawful money of the United States of America, the principal amount of Two Hundred Forty Thousand & 00/100 Dollars (\$240,000.00), together with interest at the rate of 8.750% per annum on the unpold principal balance from September 8, 2007, until peld in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

PAYMENT. Borrower will pay this loan in 14 payments of \$29,014.41 each payment and an irregular last payment satimated at \$29,014.48. Borrower's first payment is due June 18, 2008, and all subsequent payments are due on the same day of each year after that. Borrower's final payment will be due on June 18, 2022, and will be for oil pindeplal and all secured interest not yet paid. Payments include principal and interest. Unless office agreed or required by applicable law, payments will be applied first to any unpaid collection costs; then to any late charges; then to any accuracy unpaid interest; and then to principal. The annual interest rate for this Note is computed on a 385/360 basis; that is, by applying the ratio of the annual interest rate or days, multiplied by the auteranding principal balance, multiplied by the actual number of days the principal balance is outstanding. Borrower will pay Lender at Lender's address shown above or at such other place as Londor may designate in writing.

PREPAYMENT. Borrower agrees that all loan fees and other propold finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal belease due and may result in Borrower's making fewer payments. Borrower agrees not to sand Lander payments marked "pold in (uil", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without loaling any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed emounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the emount owed or that is tandered with other conditions or ilmitations or as full satisfaction of a disputed amount must be mailed or delivered to: REGIONS BANK, CALHOUN CITY, 211 NORTH MAIN STREET, CALHOUN CITY, MS 38916.

LATE CHARGE. If a payment is 15 days or more late, Borrower will be cherged 4.000% of the unpaid portion of the regularly scheduled payment or \$5.00, whichever is greater.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon linel meturity, at Lender's option, and if permitted by applicable law, Lender may add any unpaid accrued interest to principal and such sum will bear interest therefrom until paid at the rate provided in this Note. Upon default, the total sum due under this Note will continue to accrue interest at the interest rate under this Note.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fells to make any payment when due under this Note

Other Defaults. Berrower falls to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other oreditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

Faiso Statements. Any warrenty, representation or statement made or furnished to Lender by Borrower or on Borrower's bahalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Doubt or Insolvency. The dissolution of Borrower (regardless of whather election to continue is made), any member withdraws from Borrower, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of graditor, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or egainst Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, reposession or any other method, by any oraditor of Borrower or by any governmental agency against any objected ascuring the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shell not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the best of the oraditor or forfeiture proceeding and if Borrower gives Lender written notice of the oraditor or forfeiture proceeding and deposits with Lender monics or a surety bond for the graditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guaranter. Any of the preceding events occurs with respect to any Guaranter of any of the indebtedness or any Guaranter dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of a death, lender, at its opilion, may, but shall not be required to, permit the Guaranter's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, ours any Event of

Adverse Change. A material adverse change occurs in Berrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

insecurity. Lender in good faith ballaves itself insecure

Cura Provisions. If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after receiving written notice from Londor demanding ours of such default: (1) cures the default within lifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deams in Lender's sole disoration to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and opposis. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by

JURY WAIVER. Lender and Borrower heroby waive the right to any jury trial in any sation, proceeding, or countercisim brought by either Lender

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PROMISSORY NOTE (Continued)

Page 2

Loan No: 11800008159001

or Borrower against the other.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Mississippi without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Mississippi.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of satolf in all Borrower's accounts with Lender (whether checking, savings, or some other account. This includes all accounts Borrower holds jointly with someone also and all accounts Borrower may open in the future. However, this does not include any IRA or Keegh accounts, or any trust accounts for which satolf would be prohibited by law. Borrower authorizes Londer, to the extent permitted by applicable law, to charge or satolf all atms owing on the indebtodness against any and all such accounts, and, at Londer's option, to administratively freeze all such accounts to allow Londer to protect Lender's charge and act to this paragraph.

COLLATERIAL. Borrower acknowledges this Note is secured by REAL ESTATE DEED OF TRUST DATED 9/8/2007 COVERING REAL PROPERTY LOCATED AT 710 HWY 8 E, VARDAMAN, MS., 38878; REAL ESTATE DEED OF TRUST DATED 9/8/2007 COVERING REAL PROPERTY LOCATED AT 50 HWY 341 S, VARDAMAN, MS., 38878; REAL ESTATE DEED OF TRUST DATED 9/8/2007 COVERING REAL PROPERTY LOCATED AT 150 CR 428, VARDAMAN, MS., 38878; ALL EQUIPEMT AS DESCRIBED IN A COMMERCIAL SECURITY AGREEMENT DATED 9/8/2007.

ARBITRATION. Borrower and Londer agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Note or otherwise, including without limitation contract and not disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association is effect at the time the claim is filed, upon request of either party. No act to take or dispose of any ocitaters securing this Note shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining orders invoking a power of sale under any deed of trust or mortgage; obtaining a will of attachment or imposition of a receivery or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article B of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any not, or exercise of any right, concorning any collatoral securing this Note, shall also be arbitrated, provided however that no orbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Note shall proclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar destrinss which would ofterwise be applicable in any subtration proceeding, and the commencement of an epitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and anforcement of this arbitration provision.

REQUESTS FOR SPECIAL SERVICES. In general, there are no borrower-paid fees associated with the routine servicing of a foun or kino of credit. Borrower, however, may occasionally lind it necessary to request services for which there is a charge. The services that fall outside of routine servicing include, without limitation, providing the following documents upon request: amortization schedules, duplicate year-end statements, copies of loan documents or periodic statements, payment histories, and replacement coupon books. Borrower agrees to pay the fees imposed by Lender in connection with providing the requested services, as in effect from time to time. Borrower also agrees to pay the fees imposed by Lender if these services are requested on on expedited basis. All such fees shall be fully carned and non-refundable, and shall be paid upon Lender's demand (provided, that Lender, in its discretion, may add the fees to the principal indobtothess due, and accorde interest thereon, and the same shall be due, if not sconer demanded by Londer, upon the maturity of the indobtedness without further demand). The fees shall not be deemed to be interest or charges for the use of money. If Borrower requests services or documents as part of Lender's procedures for resolving a billing error on a line of oradit, Lander will not impose, or will reverse, the fee.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rost of the Note. Lender may delay or forge enforcing any of its rights or remedies under this Note without losing them. Betrower and any other person who signs, guarantees or endorses this Note, to the extent ellowed by law, walve presentennt, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guaranter, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend fropostedly and for any longth of timp this loan or release any party or guaranter or collestrate or langual, fall to realize upon erfect Lender's security interact in the collestrate or langual, fall to realize upon erfect Lender's security interact in the collestrate or langual, fall to realize upon erfect Lender's security interact in the collestrate or may modify this loan without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to enyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER

B & E PACKING LLC

STEPHEN BAILEY, MEMBER of B & E Packing LLC

DOWN Copy. Natural Engineers for 1913, 2007. All Rights Reserved. List in City in C2 102 To 121944 Prints in

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OMONDSON, MEMBER OF B & E

### REGIONS 🕸 BANK

### AGRICULTURAL LOAN AGREEMENT

Principal \$240,000.00

.. Loan No 

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References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or ilen Any item above containing """" has been omitted due to text length limitations.

Borrower:

B & E Packing LLC¶ 710 Hwy 8 E

Vardeman, MS 38878

REGIONS BANK 211 NORTH MAIN STREET CALHOUN CITY, MS 38918

THIS AGRICULTURAL LOAN AGREEMENT dated September 6, 2007, is made and executed between B & E Packing LLC ("Borrower") and REGIONS BANK ("Lender") on the following terms and conditions. Borrower has applied to Londer for an agricultural loan as described below. Borrower understands and agrees that: (A) in granting, senewing, or extending only Loan, Lender is relying upon Borrower's representations, warranties, and agreements as set forth in this Agreement, and (B) all such Loans shall be and remain subject to the terms and conditions of

TERM. This Agreement shall be effective as of September 8, 2007, and shall continue in full force and effect until such time as all of Borrower's Loans in favor of Lender have been peld in full, including principal, interest, coats, expenses, attorneys' fees, and other fees and charges, or until such time as the parties may agree in writing to terminate this Agreement.

THE LOAN. The following terms and conditions apply to the Loan:

The Lean Commitment. On and after the date of this Agreement, or such certier date as Lender and Borrower may agree, Lender, at its option and in its sole discretion, may lend to Borrower the principal amount of \$240,000.00.

The Loan Documents. The Loan will be evidenced by a promissory note in the form of an exhibit attached to and made a part of this Agreement, or if no exhibit is attached, then in form and substance satisfactory to Lender (the "Note"), together with such Releted Documente as Londor may require for the Loan, all in form and substance satisfactory to Londor.

i.com Disbursoments. Loan disbursoments will be made upon Borrower's completing and delivering to Lander for each disbursement a disbursement request on Lander's form. In no event, however, will Lander be required to make any Loan advances after such time as the parties may agree in writing to terminate this Agraement.

Dishursaments of Proceds. Any Loss advance made under this Agreement shall be conclusively presumed to have been made to and for the benefit of Borrower whenever the proceeds of such advance are of the (1) disbursed in accordance with the terms of this Agreement, (2) disbursed in accordance with instructions from Borrower or any of Borrower's authorized employees or agents, or (3) deposited into any demand, savings, or other account maintained by Borrower with Lender.

No Renewal or Future Loan Obligation. Lender has not committed, and is not committing at this time, to finance Borrower's next year's farm loan requirements. Any such future loan or loans may be made solely at the option of Lender and on such terms and conditions as Lender may then require. Borrower understands that no prior course of dealing, no usage of trade, no oral statements or comments by Lender or its employees or other signite will be deemed to be a commitment by Lender to fend money to Borrower or to any other person, unless the same is reduced to writing and signed by an authorized representative of Lander.

SALE OF COLLATERAL AND APPLICATION OF PROCEEDS. The following terms and conditions relate to any Colleteral for the Loan and the application of proceeds of Colletoral:

Sale of Collateral. Borrower may sell or otherwise dispose of Collateral only if (1) Borrower delivers the proceeds to Lender, and (2) Borrower compiles with the other terms of this Agreement. If Borrower wants to use proceeds for other than delivery to Lender, Borrower may not sell the Collateral without Lender's prior written consent.

Buyors, Consignosa, and Other Transfeross. The following provisions relate to any sale, consignment or transfer of crops, livestock, or other form products included as all or a part of the Collatersi:

- (1) To Induce Lender to extend the Loan, Borrower represents, warrants and covenants to Lender that Borrower will sell, consign or transfer the Collateral only to those persons whose names and addresses have been set forth an sales schedules delivered to Lender. Each schedule shall be in such form as Lender may require, including identification of each type of Collateral. Borrower size shall notify Lender of the name and address of each additional person to whom or throught whom the Collateral may be sold, consigned or transferred. All such schedules and notifications shall be in writing and shall be delivered to Lender not less than seven (7) days prior to any such sale, consignment or transfer of the Colleteral.
- (2) Borrower acknowledges that if the Colleteral is sold, consigned, or transferred to any person not listed on a schedule delivered to Lender as provided above, and if Lender has not received an accounting linctuding the proceeds) of such sole, consignment or transfer within ten (10) days of the sale, consignment or transfer, then UNDER FEDERAL LAW, BORROWER SHALL BE SUBJECT TO A FINE WHICH IS THE GREATER OF \$5,000 OR 15% OF THE VALUE OR BENEFIT RECEIVED FROM THE SALE, CONSIGNMENT OR TRANSFER TO AN UNLISTED BUYER, CONSIGNEE OR TRANSFEREE.

Delivery of Proceeds and Paymenta. Berrower will immediately deliver or otherwise make available to Lender eli proceeds of any sele, consignment, lesse, license, exchange or other disposition of the Colleteral and all other proceeds of the Colleteral, in a form acceptable to Lender. All othertel paper, contracts, werehouse receipts, documents, and other evidences of ownership or obligations relating to the Colleteral, whether issued by a co-op, grain elevator, werehouse, marketing entity or balkes, and all accounts and other proceeds of the Colleteral shell be immediately endersed, assigned and delivered by Berrower to Lender, in a form acceptable to Lender, as security for the Loan. At any time before or after the occurrence of an Event of Default, lender may collect all proceeds of the Colleteral when received by Lender, may at Lender's sole discretion be applied to the Loan. Borrower grants Lender a limited power of attorney to eign or endorse Borrower's name on all writings described in this section.

Application of Proceeds and Payments. Lender, in its sole discretion, may apply proceeds and payments of Colletoral and any other payments Borrower may make an the Loan to either (1) accrued unpeld interest owing on the Note, (2) outstanding principal on the Note, or (3) any other amounts owing by Borrower to Lender in connection with the Loan.

CONDITIONS PRECEDENT TO EACH ADVANCE. Lender's obligation to make the initial Advance and each subsequent Advance under this Agreement shall be subject to the fulfillment to Lender's autisfection of all of the conditions set forth in this Agreement and in the Related Documents.

Loan Documents. Borrower shall provide to Lender the following documents for the Loan: (1) the Note; (2) Security Agreements granting to Lender security interests in the Colleters!; (3) finencing statements and all other documents perfecting Lender's Security Interests; (4) Effective Financing Statements as required by any applicable state central filling system giving notice of Lender's security interests to prospective purchasers of Borrower's farm products; (5) evidence of insurance as required below; (6) guaranties; (7) together with all such Related Documents as Lender may require for the Loan; all in form and substance satisfactory to Lender and Lender's

Borrower's Authorization. Borrower shall have provided in form and substance satisfactory to Lender properly certified resolutions, duty authorizing the execution and delivery of this Agreement, the Note and the Related Documents. In addition, Borrower shall have provided such other resolutions, authorizotions, documents and instruments as Lender or its counsel, may require.

Payment of Fees and Expenses. Borrower shall have paid to Lender all fees, charges, and other expenses which are then due and payable as specified in this Agreement or any Related Document.

Representations and Warranties. The representations and warranties set forth in this Agreement, in the Related Documents, and in any

Loan No: 11800008159001

Page 2

document or certificate delivered to Lender under this Agreement are true and correct.

No Event of Default. There shall not exist at the time of any Advance a condition which would constitute on Event of Default under this Agreement or under any Related Document.

REPRESENTATIONS AND WARRANTIES. Borrower represents and warrants to Lender, as of the date of this Agreement, as of the date of each disbursement of loan proceeds, as of the date of any renewal, extension or modification of any Loan, and at all times any indobtodness exists:

Organization. Borrower is a limited liability company which is, and at all times shall be, duly organized, velidity existing, and in good standing under and by virtue of the laws of the State of Miesissippi. Borrower is duly outhorized to transact business in all other states in which Borrower is doing business, having obtained all necessary filings, governmental licenses and approvals for each state in which Borrower is doing business. Specifically, Borrower is, and at all times shall be, duly qualified as a foreign limited liability company in all states in which the failure to so qualify would have a metarial subverse effect on its business or financial condition. Borrower has the full power and authority to own its properties and to transact the business in which it is presently cragoged or presently proposes to engage.

Borrower maintains an office of the office at which Borrower keeps its books and records including its records concerning the

Borrower maintains an office at a characteristic of the office at which Borrower keeps its books and records including its records concerning the Collateral. Borrower will notify Lender prior to any change in the location of Borrower's state of organization or any change in Borrower's name. Borrower shall do all tilings necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinaress, statutes, ordere and decrees of any governmental or quasi-governmental authority or court applicable to Borrower's business sativities.

Assumed Business Names. Borrower has filed or recorded all documents or fillings required by low relating to all assumed business names used by Borrower. Excluding the name of Borrower, the following is a complete list of all assumed business names under which Borrower uses had pass. Name.

Authorization. Borrower's execution, delivery, and performance of this Agreement and all the Related Documents have been duly authorized by all necessary action by Borrower and do not conflict with, result in a violation of, or constitute a default under (1) any provision of (a) Borrower's pricies of organization or membership agreements, or (b) any agreement or other instrument binding upon Borrower or (2) any law, governmental regulation, court decree, or order applicable to Borrower or to Borrower's proportios.

Financial information. Each of Borrower's financial statements supplied to Lander truly and completely disclosed Borrower's financial condition as of the date of the statement, and there has been no material adverse change in Borrower's financial condition subsequent to the date of the most recent financial statement supplied to Lander. Borrower has no material contingent obligations except as disclosed in such financial statements.

Legal Effect. This Agreement constitutes, and any instrument or agreement Borrower is required to give under this Agreement when delivered will constitute legal, valid, and binding obligations of Borrower enforceable against Borrower in apportance with their respective terms.

Properties. Except as contemplated by this Agreement or as previously disclosed in Berrower's finencial statements or in writing to Londer and as accepted by Lender, and except for property tax lians for taxes not presently due and payable, Berrower owns and has good title to all of Borrower's properties free and clear of all Security Intersets, and has not executed any security documents or financing statements relating to such properties. All of Borrower's properties are titled in Borrower's legal name, and Borrower has not used or filed a financing statement under any other name for at least the test five (6) years.

statement under any other name for at least the last life (6) years.

Hazardous Substances. Except as disclosed to end acknowledged by Lendar in writing, Borrower represents and warrants that: (1) During the period of Borrower's ownership of the Collateral, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from any of the Collateral, (2) Borrower has no knowledge of, or reason to believe that there has been (a) any breach or violation of any Environmental Lows; (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Collateral by any prior owners or occupants of any of the Collateral; or (o) any actual or threatened illigation or claims of any kind by any person relating to such matters. (3) Neither Borrower nor any tenant, controoter, agent or other authorized user of any of the Collateral shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from any of the Collateral; and eny such activity shall be condusted in compliance with all policable fedore), state, and load lease, regulations, and ordinances, including without limitation all Environmental Laws. Borrower authorizes Lendar and its agents to enter upon the Collateral to make such inspections and tests as Lendar may deem appropriate to determine compliance of the Collateral with this section of the Agreement. Any inspections or tosts made by Lendar shall be at Borrower's exponse and for Londor's purposes only and shall not be construed to create any responsibility or flability on the part of Lendar to Borrower or to any other person. The representations and warranties contained herein are based on Borrower's due difference in investigating the Collateral for hozardous weste and Hazardous Substances. Borrower hereby (1) releases and valves any future claims against Lendar for indomni

Litigation and Claims. No litigation, claim, investigation, administrative proceeding or similar action (including those for unpaid taxes) against Borrower is pending or threatened, and no other event has occurred which may materially adversely effect Borrower's financial condition or properties, other than illigation, claims, or other events, it say, that have been disclosed to and soknowledged by Lander in widthin.

Taxes. To the best of Borrower's knowledge, ell of Borrower's tax returns and reports that are or were required to be filed, have been filed, and all taxes, assessments and other governmental charges have been paid in full, except those presently being or to be contested by Borrower in good faith in the ordinary course of business and for which adequate reserves have been provided.

Lien Priority. Unless otherwise previously disclosed to Lender in writing, Borrower has not entered into or granted any Security Agreements, or permitted the filling or attachment of any Security Interests on or affecting any of the Colleteral discouly or Indirectly securing repayment of Borrower's Loan and Note, that would be prior or that may in any way be superior to Londor's Security Interests and rights in and to such Colleteral.

Binding Effect. This Agreement, the Note, eli Security Agreements (if eny), and all Related Documents are binding upon the signers thereof, as well as upon their successors, representatives and assigns, and are legally enforceable in accordance with their respective terms.

AFFIRMATIVE COVENANTS. Borrower covenants and agrees with Lender that, so long as this Agreement remains in offcot, Borrower will:

Notices of Claims and Litigation. Promptly inform Lender in writing of (1) all material adverse changes in Berrowar's financial condition, and (2) all existing and all threatened litigation, claims, investigations, administrative proceedings or similar actions affecting Berrowar or any Guaranter which could materially affect the financial condition of Berrowar or the financial condition of any Guaranter.

Emancial Records. Maintain its books and repords in accordance with GAAP, applied on a consistent basis, and parmit Londor to exemino and sudit Borrower's books and records at all reasonable times.

Financial Statements. Furnish Lender with such financial statements and other related information at such frequencies and in such detail as kender may reasonably request.

Additional information. Furnish such additional information and statements, as Londor may request from time to time.

Insurance. Mointein fire and other risk insurance, public liability insurance, and such other insurance as Lender may require with respect to Borrower's properties and operations, in form, emounts, coverages and with insurance companies acceptable to Londer. Borrower, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including atipulations that coverages will; not be cancelled or diminished without at least ten (10) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impoined in any way by any act, amission or default of Borrower or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest for the Leans, Borrower will provide Lender with such lander's lose payable or other andersoments as Lender may require.

Insurance Reports. Furnish to Lander, upon request of Lander, reports on each existing insurance policy showing such information as Lender may reasonably request, including without limitation the following: (1) the name of the insurer: (2) the risks insured; (3) the amount of the policy; (4) the properties insured; (5) the then current property values on the basis of which insurance has been obtained, and the menner of determining those values; and (8) the expiration date of the policy. In addition, upon request of Lander thowever not

Loan No: 11800008159001

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mere often than annually), Borrowor will have en indopendent appreiser satisfactory to Lender determine, as applicable, the actual cash value or replacement cost of any Colleteral. The cost of euch appreisal shall be peld by Borrower.

Guarantics. Prior to disbursement of any Loan proceeds, furnish executed guarantics of the Loans in favor of Lender, executed by the guaranters named below, on Lender's forms, and in the emounts and under the conditions set forth in those guarantics.

Names of Guaranters

Amounts

JOHN SCOTT EDMONDSON STEPHEN BAILEY

Unilmited Unilmited

Other Agraements. Comply with all terms and conditions of all other agreements, whether now or hereafter existing, between Borrower and any other party and notify Lender immediately in writing of any default in connection with any other such agreements.

Loan Proceeds. Use all Loan proceeds solely for the purposes specified in this Agreement.

Taxes, Charges and Lians. Pay and discharge when due all of its indebtedness and obligations, including without limitation all assassments, taxes, governmental charges, levies and ilons, of every kind and nature, imposed upon Borrower or its properties, income, or profits, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon any of Borrower's properties, income, or profits.

Performance. Perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Related Documents, and in all other instruments and agreements between Borrower and Lender. Borrower shall notify Lender Immediately in writing of any default in connection with any agreement.

Operations. Maintain executive and management personnal with substantially the same qualifloations and experience as the present executive and management personnal; provide written notice to Lender of any change in executive and management personnal; conduct its business affairs in a reasonable and prudent manner.

Compliance with Governmental Requirements. Comply with all laws, ordinances, and regulations, new or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Collateral, including without limitation, the Americans With Disabilities Act. Borrower may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Borrower has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Collateral are not jeopardized. Londer may require Borrower to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Environmental Studies. Promptly conduct and complete, at Borrower's expense, all such investigations, studies, samplings and testings as may be requested by Lender or any governmental authority relative to any substance, or any waste or by-product of any substance defined as toxic or a hexardous substance under applicable federal, state, or local law, rule, regulation, order or directive, at or effecting any property or any feelility owned, lessed or used by Borrower.

Inspection. Permit employees or agents of Lendor at any ressonable time to inepset any and all Collateral for the Loan or Leans and Berrower's other properties and to exemine or sudit Berrower's books, accounts, and records if Berrower now or at any time bereafter meintelns any records (including without limitation computer generated records and computer softwere programs for the generation of such records in the possession of a third party. Berrower, upon request of Lendor, shall notify such perty to permit Lender free access to such records at all reasonable times and to provide Lender with copies of any records it may request, all at Berrower's expanse.

Environmental Compliance and Reports. Borrower shall comply in all respects with any and all Environmental Laws; not cause or permit to exist, as a result of an intentional or unintentional ection or emission on Borrower's part or on the part of any third party, on property owned and/or occupied by Borrower, any environmental activity where demage may result to the environment, unless such environmental activity is pursuant to and in compliance with the conditions of a permit issued by the appropriate federal, state or local governmental authorities; shall furnish to Londor promptly and in any event within thirty (30) days after receipt thereof a copy of any notice, aummons, lien, citation, directive, latter or other communication from any governmental agency or instrumentality concerning any intentional or unintentional scaling or environmental activity whether or not there is demage to the environment and/or other natural resources.

Additional Assurances. Make, execute and deliver to Lender such promissory notes, mortgages, deeds of trust, security agreements, assignments, finencing statements, instruments, documents and other agreements as Lender or its attorneys may reasonably request to evidence and secure the Loans and to perfect all Security interests.

ENDER'S EXPENDITURES. If any action or proceeding is commonced that would materially affect Lender's interest in the Collateral or if Borrower falls to comply with any provision of this Agraement or any Related Documents, Including but not limited to Borrower's failure to discharge or pay when due any amounts Borrower is required to discharge or pay under this Agraement or any Related Documents, Lender on Borrower's behalf may (but shall not be obligated to take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on any Colleterol and paying all costs for insuring, maintaining and preserving any Colleterol. All such expenditures inclured or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date frourred or paid by Lender to the date of repayment by Borrower. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) to payable on demand; (B) be added to the belance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a belicon payment which will be due and payable at the Note's maturity.

CESSATION OF ADVANCES. Lender shall have no obligation to make Loan Advances or to disburse Loan proceeds under this Agreement or under any other agreement if: (A) Borrower or any Guarantor is in default under the terms of this Agreement or any of the Related Documents or any other agreement that Borrower or any Guarantor has with Lender; (B) Borrower or any Guarantor dies, becomes incompetent or becomes insolvent, liles a patition in bankruptoy or similar proceedings, or is adjudged a bankrupt; (C) there coours a material advarse change in Borrower's intended condition, in the linnedial candition of any Guarantor or in the value of any Collateral securing any Loan; or (D) any Guarantor seaks, claims or otherwise attempts to limit, modify or revoke such Guarantor's guaranty of the Loan or any other loan with Lender; or (E) Lender in good feith deems itself insecure, even though no Event of Default shall have occurred.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of satoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone also and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which satoff would be prohibited by law. Borrower authorizes Londer, to the extent permitted by applicable law, to charge or satoff all sums owing on the Indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and satoff rights provided in this paragraph.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Borrower falls to make any payment when due under the Loan.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, obvening or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenent or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or parson that may materially affect any of Borrower's or any Grantor's property or Borrower's ar any Grantor's ability to repay the Loans or perform their respective obligations under this Agreement or any of the Related Documents.

Falso Statements. Any warranty, representation or statement made or furnished to Lander by Borrower or on Borrower's bahalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insulvency. The dissolution of Borrower (regardless of whether election to continue is made), any member withdraws from Borrowor, or any other termination of Borrower's existence as a going business or the death of any member, the insolvency of Borrower, the appointment of a receiver for any pert of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Defective Collectedization. This Agreement or any of the Related Documents ceases to be in full force and effect (including felture of any collected document to create a valid and perfected security interest or lian) at any time and for any reason.

Creditor or Forfoliure Proceedings. Commencement of foreclosure or forfoliure proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any greditor of Borrower or by any governmental agency against any collateral securing the Loan.

Loan No: 11800008159001

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This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lander. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lander written notice of the creditor or forfeiture proceeding and deposits with Lander monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lander, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guerantor. Any of the preceding events occurs with respect to any Guerantor of any of the indebtedness or any Guerantor dies or becomes incompetent, or rovokes or disputes the velidity of, or liability under, any Gueranty of the indebtedness. In the event of a doeth, Lender, at its option, may, but shell not be required to, parmit the Guerantor's cotate to assume unconditionally the obligations erising under the gueranty in a manner satisfactory to Lender, and, in doing so, ours any Event of Default.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lander balloves the prospect of payment or performance of the Loan is impaired.

Insecurity. Lendor in good faith believes itself insecure.

Right to Cure. If any default, other than a default on indebtedness, is curable and if Borrower or Grantor, as the case may be, has not been given a notice of a similar default within the preceding twelve (12) months, it may be cured if Borrower or Grantor, as the case may be after receiving written notice from Lender demending cure of such default: (1) cure the default within liftcen (15) days, or (2) if the one requires more than liftcen (15) days, immediately initiate stops which Lender deems in Lender's solo discretion to be sufficient to cure the default and thereafter continue and complete all reasonable and necessary steps sufficient to produce compliance as soon as reasonably precioed.

EFFECT OF AN EVENT OF DEFAULT. If any Event of Default shall occur, except where otherwise provided in this Agreement or the Related Documents, all commitments and obligations of Lender under this Agreement or the Related Documents or any other agreement immediately will terminate (including any obligation to make further Loan Advances or disbursaments), and, at Londer's option, all indobtodness immediately will become due and payable, all without notice of any kind to Borrower, except that in the case of an Event of Default of the type described in the "insolvency" subsection above, such acceleration shall be automatic and not optional. In addition, Londer shall have all the rights and remedias provided in the Related Documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of Londer's rights and remedias shall be cumulative and may be exercised singularly or concurrently. Election by Londer to pursue any remedy shall not except any other remedy, and an election to make experientiares or to take solion to perform an obligation of Borrower or of any Grentor shall not affect Lender's right to declare a default and to exercise its rights and remedias.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agraement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or smendment to this Agreement shall be affective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or smendment.

and signed by the perty or parties sought to be charged or bound by the alteration or emendment.

Arbitration. Borrower and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Agreement or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association in affect at the time the claim is illed, upon request of either perty. No act to take or dispose of any Collatoral shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining land and arbitration agreement are proposed by the arbitration agreement and the collaboration of all controlled the proposed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any lights relating to parsonal property. Including taking or controversies concerning the lawfulness or reasonableness of any act, or exercise a distinct of commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise and under the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise and under the Uniform Commercial Code. Any disputes, challeness are shall always and controlled the exercise and controll

Attornays' Fass; Expenses. Borrower agrees to pay upon demand all of Lander's costs and expenses, including Lander's attornays' fass and Lander's legal expenses, incurred in connection with the enforcement of this Agreement. Londer may hitse or pay comeons also to help enforce this Agreement, and Borrower shall pay the costs and expenses of such enforcement. Costs and expenses include Lander's attornays' face and legal expenses whether or not there is a lawault, including attornays' foce and legal expenses for bankruptoy proceedings (including efforts to modify or vacets any automatic stay or injunction), appeals, and any autolipated post-judgment collection services. Borrower also shall pay all court costs and such additional face on may be directed by the court.

Capiton Headings. Capiton headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Governing Law. This Agreement will be governed by federal law applicable to Londer and, to the extent not proempted by federal law, the laws of the State of Mississippi without regard to its conflicts of law provisions. This Agreement less been accepted by Lender in the State of Mississippi.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising ony right shall operate as a weiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute or waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, shall constitute a waiver of any of Lender's rights or of ony of Borrower's obligations as to any instance shall not constitute ownstands by Lender in any instance shall not constitute ownstands operated under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be grented or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be offective when actually delivered, when actually received by teleface/mile (unless otherwise required by faw), when deposited with a nationally received by teleface/mile (unless otherwise required by faw), when deposited with a nationally received overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage propaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under the Agreement by giving formal written notice to the other perty's address. For notice purposes, Sorrower agrees to keep Lender informed at all times of Borrower's current address. Unless otherwise provided or required by law, if there is more than one Borrower, any notice given by Lender to any Borrower is deemed to be notice given to all Borrowers.

Soverability. If a court of competent jurisdiction finds any provision of this Agreement to be likegol, invalid, or unanforceable as to any circumstance, that finding shall not make the offending provision likegel, invalid, or unanforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision and or nonother so considered deleted from this Agreement. Unless otherwise required by law, the likegality, invalidity, or unenforceability of any other provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Subsidiaries and Affiliates of Borrower. To the extent the context of any provisions of this Agreement makes it appropriate, including without limitation any representation, werranty or covenent, the word "Borrower" as used in this Agreement shall include all of Borrower's subsidiaries and affiliates. Notwithstanding the foregoing however, under no citizens shall this Agreement be construed to require Lander to make any Loan or other limencial accommodation to any of Borrower's subsidiaries or affiliates.

Successors and Assigns. All covenants and agreements by or on behalf of Borrower contained in this Agreement or any Related Documents shall bind Borrower's successors and sasigns and shall inure to the bonelit of Lender and its successors and essigns. Borrower shall not, however, have the right to essign Borrower's rights under this Agreement or any interest therein, without the prior written consent of Lender.

Survival of Representations and Warranties. Borrower understands and agrees that in making the Loan, Lender is relying on all representations, warranties, and covanants made by Borrower in this Agreement or in any certificate or other instrument delivered by Borrower to Lender under this Agreement or the Related Documents. Borrower further agrees that regardless of any investigation made by Lender, all such representations, werranties and covenants will survive the making of the Loan and delivery to Lender of the Related Documents, shall be continuing in nature, and shall remain in full force and offect until such time as Borrower's indebtedness shall be paid in full, or until this Agreement shall be terminated in the manner provided above, whichever is the lost to coour.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

Waive Jury. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any

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party against any other party.

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DEFINITIONS. The following capitalized words and torms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the magnings stributed to such terms in the Uniform Commercial Code. Accounting words and terms not otherwise defined in this Agreement shall have the magnings assigned to them in accordance with generally accepted accounting principles as in affect on the date of this Agreement:

Advance. The word "Advance" means a disbursement of Loan funds made, or to be made, to Borrower or on Borrower's behalf on a final of credit or multiple advance basis under the terms and conditions of this Agreement.

Agreement. The word "Agreement" means this Agricultural Loan Agreement, as this Agricultural Loan Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Agricultural Loan Agreement from time to time.

Borrower. The word "Borrower" means B & E Packing LLC and includes all oc-signers and co-makers signing the Note and all their successors and essigns.

Collateral. The word "Colleteral" means all property and assets granted as collateral security for a Loan, whether real or personal property, whether granted directly or indirectly, whether granted now or in the feture, and whether granted in the form of a security interest, mortgage, colleteral mortgage, dead of trust, essignment, pledge, crop pledge, chattel mortgage, colleteral chattel mortgage, chattel trust, factor's lian, equipment trust, conditional sale, trust receipt, lian, charge, lian or this retention contract, losse or consignment intended as a security device, or any other security or lion interest whatspever, whether created by law, contract, or otherwise.

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Companisation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, at seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-489 ("SARA"), the Hezardous Materials Transportation Act, 49 U.S.C. Section 1801, at seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6801, at seq., or other applicable state or federal faws, rules, or regulations adopted pursuant thereto.

Evant of Default. The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

GAAP. The word "GAAP" means generally accepted accounting principles.

Grantor. The word "Grantor" means each and all of the persons or entities granting a Security interest in any Collateral for the Loan, including without limitation all Borrowers granting such a Security Interest.

Quaranter. The word "Quaranter" means any guaranter, surety, or accommodation party of any or all of the Loan.

Quaranty. The word "Gueranty" meens the guaranty from Quaranter to Lander, including without limitation a guaranty of all or part of the

Hozardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hexard to human health or the sovironment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hezardous or toxic substances, materials or wasto as defined by or listed under the finitionmental Laws. The term "Hazardous Substances" elso includes, without limitation, petrolaum and patrolaum by-products or any fraction thereof and esbastos.

indebtedness. The word "indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Borrower is responsible under this Agreement or under any of the Related Documents.

Londer. The word "Lender" means REGIONS BANK, its successors and assigns.

Loan. The word "Loan" meens any and all loans and financial accommodations from Lender to Borrower whether now or hereafter oxisting, and however evidenced, including without ilmitation, the loan described in the Section Elied "The Loan."

Note. The word "Note" means the Note executed by B & E Packing LLC in the principal amount of \$240,000,00 dated September 6, 2007, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Related Documents. The words "Related Documents" meen all promissory notes, credit agreements, loan agreements, environmental agreements, guarantics, security agreements, mortgages, deeds of trust, security deeds, colleteral mortgages, and all other instruments, agreements and documents, whother now or hereafter existing, executed in connection with the Loan.

Security Agreement. The words "Security Agreement" mean and include without limitation any agreements, promises, covenants, arrangements, understandings or other agreements, whether created by law, contract, or otherwise, evidencing, governing, representing, or greating a Security Interest.

Security Interest. The words "Security interest" mean, without limitation, any and all types of collateral security, present and future, whother in the form of a lien, oberge, encumbrance, mortgage, deed of trust, security deed, essignment, piedge, crop piedge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditions sale, trust receipt, iten or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatecover whether created by law, contract, or otherwise.

BORROWER ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS AGRICULTURAL LOAN AGREEMENT AND BORROWER AGREES TO ITS TERMS. THIS AGRICULTURAL LOAN AGREEMENT IS DATED SEPTEMBER 8, 2007.

BORROWER:

B & E PACKING LLC

SYETHEN BAILEY, MEMBERS OF B & E Packing LLC

By: OH SCOTT EDMONDSON, MEMBER of B & E Packing LLC

LENDER:

REGIONS BANK

(LLES PER LANGUA VW. E. D. COOK) Cong. Highest Promotor Salations, San. 1877, 2007. An Bighin Rispord. - Little Recombination Colors The System Plant



### BANK

COMMERCIAL SECURITY AGREEMENT

Principal \$240,000,00

Grantor:

Loan Date Waturity Loan No - Con / Con | Con / C

Account - Aboount VERPS

References in the shaded area are for Lander's use only and do not limit the applicability of this document to any particular loan or item.

Any item above containing \*\*\*\*\* has been omitted due to text length limitations.

B & E Packing LLC 710 Hwy 8 E Verdamen, MS 38878

Lender:

REGIONS BANK CALHOUN CITY 211 NORTH MAIN STREET CALHOUN CITY, MS 38916

THIS COMMERCIAL SECURITY AGREEMENT dated September 6, 2007, is made and executed between 8 & E Packing LLC ("Granter") and REGIONS BANK ("Londer").

GRANT OF SECURITY INTEREST. For valuable consideration, Grantor grants to Lender a security interest in the Collateral to secure the indobtedness and agrees that Lender shall have the rights stated in this Agreement with respect to the Collateral, in addition to all other rights which Londor may have by law.

COLLATERAL DESCRIPTION. The word "Collateral" as used in this Agreement means the following described property, whether now owned or hereafter acquired, whether now existing or hereafter adding, and wherever located, in which Grenter is giving to Lender a security interest for the payment of the indebtedness and performance of all other obligations under the Note and this Agreement:

In addition, the word "Colleteral" elso includes ell the following, whether now owned or hereafter acquired, whether now existing or hereafter ecquired, whether now existing or hereafter ecquired, whether now existing or hereafter ecquired.

- (A) All accessions, attachments, accessories, tools, parts, supplies, replacements of and additions to any of the colleteral described herein,
- (B) All products and produce of any of the property described in this Colleteral section.
- (C) All accounts, general intengibles, instruments, tents, monies, payments, and all other rights, origing out of a sale, losse, consignment or other disposition of any of the property described in this Colleteral section.
- (D) All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this Colleteral section, and sums due from a third party who has damaged or destroyed the Colleteral or from that party's insurer, whether due to judgment, settlement or other process.
- (E) All records end data relating to any of the property described in this Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Grantor's right, title, and interest in and to all computer software required to utilize, creats, maintain, and process any such records or date on electronic media.

CROSS-COLLATERAMIZATION. In addition to the Note, this Agreement secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, diject or indirect, determined or undetermined, absolute or contingent, liquidated or uniquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, eccommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may be or hereafter may become otherwise unanforceable. become otherwise unenforceable.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Grantor's accounts with Lender (whether checking, sevings, or some other accounts). This includes all accounts Grantor holds jointly with someons also and all accounts Grantor may open in the future. However, this does not include any IRA or Keagh accounts, or any trust accounts for which setoff would be prohibited by law. Grantor authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indobtedness against any law. Grantor authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indobtedness against and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's oherge and satoff rights provided in this paragraph.

GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE COLLATERAL. With respect to the Collateral, Grentor represents and promises to Lender that:

Perfection of Scourity Interest. Grantor agrees to take whatever actions are requested by Lender to perfect and continue Lender's scourity interest in the Collateral. Upon request of Lender, Grantor will deliver to Lender sny and all of the documents evidencing or constituting the Collateral, and Grantor will note Lender's interest upon any and all chattel paper and instruments if not delivered to Lender for possession by Lender. This is a continuing Security Agreement and will continue in effect even though all or any part of the indebtedness is paid in full and even though for a period of time Grantor may not be indebted to Lender.

Notices to Lender. Grentor will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to say (1) change in Grentor's name; (2) change in Grentor's sesumed business name(s); (3) change in the management or in the members or managers of the limited liability company Grentor; (4) change in the authorized signer(s); (5) change in Grentor's principal of clice address; (6) change in Grentor's state of organization; (7) conversion of Grentor to a new or different type of business entity; or (8) change in any other aspect of Grentor that directly or indirectly relates to any agreements between Grentor and Lander. No change in Grentor's name or state of organization will take effect until after Lender has received notice.

No Violation. The execution and delivery of this Agreement will not violate any law or agreement governing Grantor or to which Grantor is a party, and its membership agreement does not prohibit any term or condition of this Agreement.

Enforceability of Collateral. To the extent the Collateral consists of accounts, chattel paper, or general intengibles, as defined by the Uniform Commercial Code, the Collateral is enforceable in accordance with its terms, is genuine, and fully compiles with all applicable lews and regulations concerning form, content and manner of preparation and execution, and all persons appearing to be obligated on the Collateral two authority and capacity to contract and are in fact obligated as they appear to be on the Collateral. There shall be no setoffs or counterclaims against any of the Collateral, and no agreement shall have been made under which any deductions or discounts may be claimed concerning the Collateral except those disclosed to Lender in writing.

Location of the Collateral. Except in the ordinary course of Grantor's business, Grantor agrees to keep the Collateral at Grantor's address shown above or at such other locations as are acceptable to Landar. Upon Landar's request, Grantor will deliver to Landar in form satisfactory to Landar a schadule of real properties and Colleteral locations relating to Grantor's operations, including without limitation the following: (1) all real property Grantor owns or is purchasing; (2) all real property Grantor is renting or leasing; (3) all storage facilities Grantor owns, rents, leases, or uses; and (4) all other properties where Collateral is or may be located.

Removal of the Colletersi. Except in the ordinary course of Grantor's business. Grantor shall not remove the Colletersi from its existing location without Lander's prior written consent. To the extent that the Colletersi consists of vehicles, or other titled property, Grantor shall not take or permit any action which would require application for certificates of title for the vehicles outside the State of Mississippi, without Lander's prior written consent. Grantor shall, whenever requested, advise Lander of the exect location of the Colletersi.

Transactions involving Collaters. Except for inventory sold or accounts collected in the ordinary course of Grantor's business, or as otherwise provided for in this Agreement, Grantor shell not sell, offer to sell, or otherwise transfer or dispose of the Collatersi. Grantor shell not piedge, mortgage, encumber or otherwise permit the Collatersi to be subject to any lien, security interest, encumbrance, or

## COMMERCIAL SECURITY AGREEMENT (Continued)

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oharge, other than the accurity interest provided for in this Agroement, without the prior written consent of Lender. This includes security interests even if juntor in right to the security interests granted under this Agreement. Unless waived by Lender, all proceeds from any disposition of the Collateral (for whatever reason) shall be held in trust for Lender and shall not be commingled with any other funds; provided however, this requirement shall not constitute consent by Lender to any sale or other disposition. Upon receipt, Grantor shall immediately deliver any such proceeds to Lender.

Title. Grantor represents and warrants to Lander that Grantor holds good and marketable title to the Collateral, free and cloer of all liens and encumbrances except for the lien of this Agreement. No financing statement covering any of the Collateral is on file in any public office other than those which relied the security interest created by this Agreement or to which Lander has specifically consented. Grantor shall defend Lander's rights in the Collateral against the claims and demands of all other persons.

Repairs and Maintenance. Grantor agrees to keep and maintain, and to cause others to keep and maintain, the Collateral in good order, repair and condition at all times while this Agreement remains in effect. Grantor further agrees to pay when due all clothes for work done on, or services rendered or material furnished in connection with the Collateral so that no lien or encumbrance may ever attach to or be filled against the Collateral.

inspection of Colleteral. Lender and Lender's designated representatives and agents shall have the right at all reasonable times to examine and inspect the Colleteral wherever foosted.

Texes, Assessments and Liens. Granter will pay when due all texes, assessments and liens upon the Collateral, its use or operation, upon this Agreement, upon any promiseory note or notes evidencing the indebtedness, or upon any of the other Related Documents. Granter may withhold eny such payment or may elect to contest en yien if Granter is ngood faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized in Lender's eals opinion. If the Collateral is subjected to a lien which is not discharged within lifteen (15) days, Granter shell deposit with Lender cash, a sufficient corporate surety bond or other security settification to the contest proceedings of the discharge of the lien plus any interest, costs, bond or other security settification of the contest proceedings of the Collateral. In any contest Granter shell defend attornays' face or other charges that could secure as a result of foreologure or sale of the Collateral. In any contest Granter shell defend itself and Lender and shell satisfy any finel adverse judgment before enforcement against the Collateral. Granter shell name charder as additional obliges under any surety bond furtherhald in the contest proceedings. Granter further agrees to furnish Lender with evidence that such taxes, assessments, and governmental and other charges have been paid in full and in a timely manner. Granter may withhold any such taxes, assessments, and governmental and other charges have been paid in full and in a timely manner. Granter may withhold any such taxes, assessments, interest in the Collateral is not jeopardized.

Compiliants with Governmental Regulatements. Granter shell compily promptly with all laws, organized and requisitions of all

Compliance with Governmental Requirements. Grantor shall comply promptly with all laws, ordinances, rules and regulations of all governmental authorities, now or hereafter in effect, applicable to the ownership, production, disposition, or use of the Collateral, including all laws or regulations relating to the undue erosion of highly-erodible land or relating to the conversion of wallands for the production of an agricultural product or commodity. Grantor may contest in good felth eny such law, ordinance or regulation and withhold compliance during any proceeding, including appropriate eppeals, so long as Lender's Interest in the Collateral, in Lender's opinion, is not jeopardized.

Hazardous Substances. Grantor represente and warrants that the Colleteral never has been, and never will be so long as this Agroement remains a lien on the Colleteral, used in violation of any Environmental Laws or for the generation, manufacture, storage, transportation, treatment, disposal, release or threatment, disposal, release or threatment, disposal, release or threatment, disposal, release or threatment disposal, release or threatment disposal or disposal or

Maintenance of Casualty Insurance. Grantor shell procure and meintain all risks insurance, including without limitation fire, thoft and liability coverage together with such other insurance as Lander may require with respect to the Collateral, in form, smounts, coverages and liability coverage together with such other insurance as Lander may require with respect to the Collateral, in form, smounts, coverages and basic responsibly acceptable to Lender, containing a liquid to the sale responsibly acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including alipulations that coverages will not be centeded or diminished without at least ten (10) days' prior written notice to Lender and not including any disclaimer of the insurer's liability for failure to give such a notice. Each insurance policy size shall include an endorsement providing that coverage in favor of Lender will not be impelled in any way by any act, ombesion or default of Grantor or any other person. In connection with all policies covering assets in which Lender holds or is offered a security intest, Grantor will provide Lender with such loss payable or other endorsements as Lender may require. If Grantor at any time falls to obtain or meintain any insurance as required under this Agreement, Lender may (but shall not be obligated to) obtain such insurance as Lender deems appropriate, including if Lender as chooses "single interest in surance," which will cover only Lender's interest in the Collateral.

Application of insurance,—which will cover only Lender's interest in the Collateral, and the Collateral, whisther or not such assusting or loss is covered by insurance, Lender may make proof of loss if Grantor falls to do so within fifteen (18) days of the casualty, all proceeds of any insurance on the Collateral, including socrued proceeds thereon, shell be held by Lender as part of the Collateral. If Lender consents to repair or replacement of the damaged or destroyed Collateral, Lender shell, upon satisfactory proof of expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration. If Lender does not consent to repair or replacement of the Collateral, Lender shell retain a sufficient emount of the proceeds to pay all of the Indebtedness, and shell pay the belance to Grantor. Any proceeds which have not been disbursed within six (6) months after their receipt and which Grantor has not committed to the repair or restoration of the Collateral shell be used to prepay the Indebtedness.

Insurance Reserves. Lender may require Grantor to maintain with Lender reserves for payment of insurance premiums, which reserves shall be created by monthly payments from Grantor of a sum estimated by Lender to be sufficient to produce, at less tiltoen (16) days before the premium due date, amounts at least equal to the insurance premiums to be paid. If lifteen (15) days before payment is due, the reserve funds are insufficient, Grantor shall upon demand pay any deficiency to Lender. The reserve funds shall have been paid to the insurance premiums required to be paid by Grantor as they become due. Lender does not hold the reserve funds in trust for Grantor, and Lender is not the agent of Grantor for payment of the Insurance premiums required to be paid by Grantor as they become due. Lender does not hold the reserve funds in trust for Grantor, and Lender is not the agent of Grantor for payment of the Insurance premiums required to be paid by Grantor. The responsibility for the payment of promiums shall remain Grantor's sold responsibility.

Insurance Reports. Grantor, upon request of Lender, shall furnish to Lender reports on each existing policy of insurance showing such information as Lender may reasonably request including the following: (1) the name of the insurer; (2) the ricks insured; (3) the amount of the policy; (4) the property insured; (5) the then current value on the basis of which insurance has been obtained and the manner of determining that value; and (8) the expiration date of the policy. In addition, Grantor shall upon request by Lender (however not more often then amountly) have an independent appraisar satisfactory to Lender determine, as applicable, the each value or replacement cost of the Colleteral.

Financing Statements. Grantor authorizes Lander to fills a UCC financing statement, or alternatively, a copy of this Agreement to periodic Lander's security interest. At Lender's request, Grantor additionally agrees to sign all other documents that are necessary to periodic, protect, and continue Lender's security interest in the Property. This includes making sure Lender is shown as the first and only security interest holder on the title covering the Property. Grantor will pay all filling fees, title transfer fees, and other fees and costs involved unloss prohibited by lew or unless Lender is required by law to pay such fees and costs. Grantor knevocably appoints Lender to execute documents necessary to transfer title if there is a default. Lender may file a copy of this Agreement as a financing statement. If Grantor changes Grantor's name or address, or the name or address of any person granting a security interest under this Agreement changes, Grantor will promptly notify the Lender of such changes.

GRANTOR'S RIGHT TO POSSESSION. Until default, Grantor may have possession of the tangible personal property and beneficial use of all the Collateral and may use it in any lawful manner not inconsistent with this Agreement or the Related Documents, provided that Grantor's right to possession and beneficial use shall not apply to any Collateral where possession of the Collateral by Lender is required by law to perfect Lender's security interest in such Collateral. If Lender et any time has possession of any Collateral, whether before or after an Event of Dafault, Lender shall be desired to have exercised reasonable care in the outstody and preservation of the Collateral if Lender takes such action for that purpose as Grantor shall request or as Lender, in Lender's sole discretion, shall deem appropriate under the obcoursances, but failure to honor any request by Grantor shall not of itself be deemed to be a failure to exercise reasonable care. Lender shall not be required to take any stops necessary to preserve any rights in the Collateral against prior parties, nor to protect, preserve or maintain any security interest given to secure

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Grantor falls to comply with any provision of this Agreement or any Related Documents, including but not limited to Grantor's foliure to disolarge or pay when due any amounts Grantor is required to disolarge or pay under this Agreement or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any sotion that Lender dema appropriate, including but not limited to discharging or paying all taxes, liens, security interests, enoumbrances and other claims, at any time levied or placed on the Collateral and paying all costs for insuring, maintaining and preserving the Collateral. All such expenditures incourred or paid by Lender for such purposes will than bear interest at

#### COMMERCIAL SECURITY AGREEMENT (Continued)

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the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All auch expenses will become a part of the Indebtadness and, at Lender's option, will (A) be payable on demand; (B) be added to the belence of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Agreement also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

DEFAULT. Each of the following shall constitute an Event of Default under this Agreement:

Payment Default. Granter falls to make any payment when due under the indebtedness.

Other Defaults. Granter fells to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Granter.

Default in Favor of Third Parties. Should Borrower or any Grentor default under any loan, extension of oradit, accurity agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or parson that may materially affect any of Grentor's property or Grantor's or any Grentor's ebility to repay the Indebtedness or perform their respective obligations under this Agreement or any of the Related Documents.

Faire Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Agreement or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes felse or misleading at any time thereafter.

Defective Colleteralization. This Agreement or any of the Related Documents courses to be in full force and effect (including failure of any colleteral document to create a veild and perfected security interest or (ion) at any time and for any reason.

Insolvency. The dissolution of Grantor (regardless of whether election to continue is made), any mamber withdraws from the limited liability company, or any other termination of Grantor's existence as a going business or the death of any mamber, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any sesignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Porfeiture Proceedings. Commencement of foreologure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental egancy egainst any collateral securing the indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good felth dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the oraditor or forfeiture proceeding and if Grantor gives Lender written notice of the oraditor or forfeiture proceeding and deposits with Lender monites or a surety bond for the oraditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or Guarantor dies or becomes incompetent or revokes or disputes the validity of, or liability under, any Guaranty of the indebtedness.

Advarse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performence of the indebtodness is impeired.

inscourity. Lender in good faith balleyes itself inscoure.

Cure Provisions. If any default, other than a default in payment is cureble and if Grantor has not been given a notice of a breach of the same provision of this Agreement within the preceding twelve (12) months, it may be oured if Grantor, after receiving written notice from Lender demanding ours of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be autiliatent to cure the default and thereafter continues and completes all responsible and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Agreement, at any time thereafter, Lender shall have all the rights of a secured party under the Mississippi Uniform Commercial Code. In addition and without limitation, Lender may exercise any one or more of the following rights and remedias:

Accelerate indobtedness. Lender may declare the entire indebtedness, including any prepayment pensity which Grantor would be required to pay, immediately due and payable, without notice of any kind to Grantor.

Assemble Collateral. Lender may require Grentor to deliver to Lender all or any portion of the Collateral and any and all certificates of title and other documents relating to the Collateral. Lender may require Grantor to assemble the Collateral and make it swallable to Lender at a piece to be designated by Lender. Lender also shall have full power to enter upon the property of Grantor to take possession of and remove the Collateral. If the Collateral contains other goods not covered by the Agreement at the time of repossession, Grantor agrees Lender may take such other goods, provided that Lender makes reasonable efforts to return them to Grantor after repossession.

Soil the Colleteral. Lender shall have full power to sail, lease, treasfer, or otherwise deal with the Colleteral or proceeds thereof in Lender's own name or that of Grentor. Lender may sail the Colleteral at public auction or private sale. Unless the Colleteral threatens to decline speedly in value or is of a type customarily sold on a recognized market, Lender will give Grentor, and other persons as required by law, reasonable notice of the time and place of any public sele, or the time after which any private sale or any other disposition of the Colleteral is to be made. However, no notice need be provided to any person who, after Event of Default cooper, enters into and authanticates an agreement walving that person's right to notification of sale. The requirements of reasonable notice shall be met if such notice is given at least ten (10) days before the time of the sale or disposition. All expenses relating to the disposition of the Colleteral, including without limitation the expenses of rotaking, holding, insuring, preparing for sale and salling the Colleteral, shall be come a part of the Indebtedness secured by this Agreement and shall be payable on demand, with interest at the Note rate from date of expenditure until repaid.

Appoint Receiver. Lender shell have the right to have a receiver appointed to take possession of all or any part of the Collatersi, with the power to protect and preserve the Collatersi, to operate the Collatersi preceding foreclosure or sale, and to collate the Rents from the Collatersi and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shell exist whether or not the apparent value of the Collatersi exceeds the indebtedness by a substantial amount. Employment by Lender shell not disqualify a person from serving as a receiver.

excess the indebtodness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Collect Revenues, Apply Accounts. Lender, either itself or through a receiver, may collect the payments, rents, income, and revenues from the Colleteral. Lender may at any time in Lender's discretion transfer any Colleteral into Lender's own name or that of Lender's nomines and receive the payments, rents, income, and revenues therefrom such discretion to Lender's own name or that of Lender's nomines and revenues therefrom such discretion in the indebtedness or apply it to payment of the indebtedness in such order of preference as Lender may determine. Insofer as the Colleteral consists of accounts, general intengibles, insurance policies, instruments, chattel paper, choses in action, or similar property. Lender may demand, collect, receipt for, actile, compromise, adjust, sue for, foreclose, or realize on the Colleteral as Lender may determine, whether or not indebtedness or actiles than due. For these purposes, Lender may, on behalf of and in the name of Grantor, receive, open and dispose of mail addressed to Grantor; change any address to which mail and payments are to be sent; and andores notes, checke, drafts, money orders, documents of title, instruments and items pertaining to payment, shipmant, or storage of any Colleteral. To facilitate collection, Lender may notify account debtors and obligors on any Colleteral tender may obtain a hidament acainst for activate for any definition.

Obtain Dalidiancy. If Lender chooses to sell any or all of the Colleters, Lender may obtain a judgment against Granter for any deficiency remaining on the indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this Agreement. Granter shall be liable for a deficiency even if the transaction described in this subsection is a sale of accounts or chattel

Other Rights and Remedies. Lender shall have all the rights and remedies of a secured creditor under the provisions of the Uniform Commercial Code, as may be emended from time to time. In addition, Lender shall have end may exercise any or all other rights and remedies it may have evaluable at law, in equity, or otherwise.

Election of Romedies. Except as may be prohibited by applicable law, all of Lender's rights and remedies, whether evidenced by this Agreement, the Releted Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Agreement, after Grantor's failure to perform, shall not effect Lender's right to declare a default and exercise its remedies.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or emendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or smandment.

### COMMERCIAL SECURITY AGREEMENT (Continued)

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Arbitration. Grantor and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Agreement or otherwise, including without limitation contract and tord disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filled, upon request of either party. No act to take or dispose of any Colleteral shall constitute a weiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive fellaf or a temporary restraining order; invoking a power of sals under any dead of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 8 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the leavitainess or reasonableness of any act, or exercise of any right, concerning any Colleteral, including any claims to received, reform, or otherwise modify any agreement relating to the Collateral, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Agreement shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, walver, faches, and similar doutrines which would otherwise be applicable in an action brought by a party shall be applicable in any erbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of this arbitration provision.

Attorneys' Fees; Expenses. Grantor agrees to psy upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, including Lender's not hip and content of this Agreement. Lender may hire or psy someone else to help enforce this Agreement, and Grantor shall psy the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there to a tawault, including attorneys' fees and legal expenses for bankruptcy proceedings knotuding afforts to modify or vecate eny automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Grantor also shall psy all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Mississippi without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of Mississippi.

No Walver by Lender. Lender shall not be deemed to have welved any rights under this Agreement unless such walver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a walver of such right or any other right. A walver by Lender of a provision of this Agreement shall not prejudice or constitute a walver of Lender's right otherwise to demend strate compiliance with that provision or say other provision of this Agreement. No prior walver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a walver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when sotually delivered, when sotually received by teleface/mile (unless otherwise required by isw), when deposited with a notionally received overnight courier, or, if melled, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

Power of Attorney. Grentor hereby appoints Lender as Grentor's irrevenable attorney-in-fact for the purpose of executing any documents necessary to perfect, amend, or to continue the security interest granted in this Agreement or to demand tormination of filings of other secured parties. Lender may at any time, and without further suthorization from Grantor, file a carbon, photographic or other reproduction of any financing statement or of this Agreement for use as a financing statement. Grantor will reimburse Lender for all expenses for the perfection and the continuation of the perfection of Lender's security interest in the Collateral.

Severability. If a court of competent jurisdiction finds any provision of this Agraement to be lising, invalid, or unanforceable as to any circumstance, that finding shall not make the offending provision lilegal, invalid, or unenforceable as to any other circumstance. If feesible, the offending provision shall be considered modified so that it becomes legal, valid and encreable. If the offending provision cannot be a modified, it shall be considered deleted from this Agraement. Unless otherwise required by law, the litegality, invalidity, or unenforceability of any other provision of this Agraement shall not affect the legality, validity or enforceability of any other provision of this Agraement.

Successors and Assigns. Subject to any limitations stated in this Agreement on transfor of Grantor's Interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Colleteral becomes vested in a parson other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Agreement and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Agreement or liability under the indebtedness.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Agreement shall survive the execution and delivery of this Agreement, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's indebtedness shall be paid in full.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

Walve Jury. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

DEFINITIONS. The following aspitelized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means this Commercial Security Agreement, as this Commercial Security Agreement may be emended or modified from time to time, together with all exhibits and schedules attached to this Commercial Security Agreement from time to time.

Borrower. The word "Borrower" means B & E Packing LLC and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all of Grantor's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

Default. The word "Dafault" means the Dafault set forth in this Agreement in the section titled "Dafault".

Environmental Laws. The words "Environmental Laws" meen any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the anxironment, including without limitation the Compensative Environmental Response, Compensation, and Liability Act of 1980, as smended, 42 U.S.C. Section 9801, at seq. "CERICLA"), the Superfund Amendments and Reauthorization Act of 1988, Pub. L. No. 99-499 ("SARA"), the Hezerdous Materials Transportation Act, 49 U.S.C. Section 1801, at seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, at seq., or other applicable state or faderal laws, rules, or regulations adopted pursuent therato.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

Grantor. The word "Grantor" masss B & 6 Packing LLC.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or oil of the indebtodness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of oil or part of the Note.

Hexerdous Substances. The words "Hexerdous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hexerd to human hoelth or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hexerdous Substances" are used in their very broadsst sense and include without limitation any and all hexerdous or toxic substances, materials or weate as defined by or listed under the Environmental Laws. The term "Hexerdous Substances" also includes, without limitation, patroleum and petroleum by-products or any fraction thereof and aspestos.

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#### COMMERCIAL SECURITY AGREEMENT (Continued)

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Indebtedness. The word "indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Grantor is responsible under this Agreement or under any of the Related Documents. Specifically, without limitation, indebtedness includes all amounts that may be indirectly secured by the Cross-Collateralization provision of this Agreement.

Lender. The word "Lender" means REGIONS BANK, its auccessors and assigns.

Note. The word "Note" means the Note executed by B & E Packing LLC in the principal amount of \$240,000.00 dated September 6, 2007, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Property. The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Colleterel Description" section of this Agreement.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, accountly deads, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

GRANTOR HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS COMMERCIAL SECURITY AGREEMENT AND AGREES TO ITS TERMS. THIS AGREEMENT IS DATED SEPTEMBER 6, 2007.

GRANTOR:

B & E PACKING LLC

MEMBER OF B & E Packing LLC

OTT EDMONDSON, MEMBER of B & E

EASER THE Landing, Vin, 8.2500.004 Capt. Hirland President Selection, 1927, 7007. All Rights Reserved. • No. Bactrich (1927 to 2) 7441 th trees

# REGIONS & COMMERCIAL GUARANTY

Aprount Loan Date Principal Maturity Loan No CEIL COR 3241 References in the shaded area are for Lander's use only and do not limit the applicability of this document to any particular loan or tight.

Any item above containing \*\*\* \*\* has been omitted due to text length limitations.

Borrower:

B & E Packing LLC 710 Hwy 8 E Vardaman, MS 38878 Lender:

REGIONS BANK CALHOUN CITY 211 NORTH MAIN STREET CALHOUN CITY, MS 38916

Guarantor:

JOHN SCOTT EDMONDSON

150 CR 429 VARDAMAN, MS 38878-9328

CONTINUING GUARANTEE OF PAYMENT AND PERFORMANCE. For good and valuable consideration, Guarantor absolutely and unconditionally CONTINUING GUARANTEE OF PAYMENT AND PERFORMANCE. For good and valuable consideration, Guarantor absolutely and unconditionally guarantees full and punctual payment and satisfaction of the indebtedness of Borrower to Lender, and the performance and discharge of all borrower's obligations under the Note and the Belated Documents. This is a guaranty of payment and performance and not of collection, so Lender can enforce this Guaranty against Guarantor even when Lender has not exhausted Lender's remedies against anyone also obligated to pay the Indebtedness or against any colleteral securing the Indebtedness, this Guaranty or any other guaranty of the Indebtedness. Guarantor will make any payments to Lender or its order, on demand, in legal tender of the United States of America, in some-day funds, without set-off or adduction or counterclaim, and will otherwise perform Borrower's obligations under the Note and Related Documents. Under this Guaranty, Guarantor's liability is unlimited and Guarantor's obligations are continuing.

Guarantor's liability is unlimited and Guarantor's obligations are continuing.

INDESYEDNESS. The word "Indebtedness" as used in this Guaranty mans all of the principal amount outstending from time to time and at any one or more times, accrued unpeid interest thereon and all collection costs and logal expanses related thereto permitted by law, attornays' fees, arising from any and all debts, liabilities and obligations of every nature or form, now existing or hereafter arising or acquired, that Borrower individually or collectively or interchangeably with others, owes or will owe Lender. "Indebtedness" includes, without limitation, loans, advances, debts, overdreft indebtedness, credit card indebtedness, is obligations, is obligations, shellities and obligations, and liabilities and obligations whether is obligations and only only only in the collection agreements or foreign currency exchange agreements or commodity price protection agreements, other obligations, and liabilities of Borrower, and any prosent or future judgments against Borrower, future advances, loans or transactions that rensw, extend, modify, refinance, consolidate or substitute these dobts, liabilities and obligations whether voluntarily or involuntarily incurred; due or to become due by their terms or acceleration; absolute or contingent; includated or unliquidated; determined or undetermined; direct or indirect; primary or secondary in nature arrising from a pueranty or surety; secured or unsecured; joint or several or joint and several; evidenced by a negotiable or non-negotiable instrument or wilding; originated by Lender or another or others; borrod or unantorceable against Borrower for any reason whatseever; for any reason (such as infancy, insently, ultre vires or otherwise); and originated then reduced or extinguished and then pferwards increased or refineted.

If Lender presently holds one or more gueranties, or hereafter receives additional guaranties from Guerantor, Lender's rights under all guaranties shall be cumulative. This Gueranty shall not (unless specifically provided below to the contrary) affact or invalidate any such other guaranties. Guerantor's liability will be Guerantor's aggregate liability under the terms of this Gueranty and any such other unterminated guaranties.

CONTINUING GUARANTY. THIS IS A "CONTINUING GUARANTY" UNDER WHICH GUARANTOR AGREES TO GUARANTEE THE FULL AND PUNCTUAL PAYMENT, PERFORMANCE AND SATISFACTION OF THE INDESTEDNESS OF BORROWER TO LENDER, NOW EXISTING OR HEREAFTER ARISING OR ACQUIRED, ON AN OPEN AND CONTINUING BASIS. ACCORDINGLY, ANY PAYMENTS MADE ON THE INDESTEDNESS WILL NOT DISCHARGE OR DIMINISH GUARANTOR'S OBLIGATIONS AND LIABILITY UNDER THIS GUARANTY FOR ANY REMAINING AND SUCCEEDING INDESTEDNESS EVEN WHEN ALL OR PART OF THE OUTSTANDING INDESTEDNESS MAY BE A ZERO BALANCE FROM TIME TO TIME.

BALANCE FROM TIME TO TIME.

DURATION OF GUARANTY. This Gueranty will take effect when received by Lender without the necessity of any acceptance by Lender, or any notice to Guerantor or to Borrower, end will continue in full force until all the indebtedness incurred or contracted before receipt by Lender of any notice of revocation shall have been fully and finally paid and satisfied and all of Guerantor's other obligations under this Gueranty shall have been performed in full. If Guerantor elects to revoke this Gueranty, Guerantor may only do so in writing. Guerantor's written notice of revocation must be melled to Lender, by certified mell, at Lender's address listed above or such other place as Lender may designate in writing. Written revocation of this Gueranty will apply only to new Indebtedness orested after coural receipt by Lender of Guerantor's written revocation. For this purpose and without limitation, the term "new indebtedness" does not include the indebtedness which at the time of notice or revocation is contingent, unliquidated, undestrained or not due and which later becomes absolute, liquidated, determined or due. For this purpose and without limitation, "new indebtedness" does not include all or part of the indebtedness that is: incurred by Borrower prior to revocation; incurred under a commitment that become binding before revocation; enverage and without limitation, and modifications of the Indebtedness of Lender's actual notice of Guerantor's astet as to the Indebtedness created both before and after Guerantor's death. Subject to the foregoing, Guerantor's executor or administrator or other lenger representative may terminate this Querantor is death. Subject to the foregoing, Guerantor's executor or administrator or other lenger representative may terminate this Queranty in the seme effect. Release of any other guerantor or termination of any other gueranty of the Indebtedness shall not affect the liability of Guerantor under this Gueranty. A revocation Lender receives from any one or more

Indebtedness remains unpeld and even though this indebtedness may from time to time be zero deliar (a.0.0).

GUARANTOR'S AUTHORIZATION TO LENDER. Guarantor authorizes Lender, either before or after any revocation hereof, without notice or domand and without lossening Guarantor's libbility under this Guaranty, from time to times (A) prior to revocation as set forth shove, to make one or more additional secured or unsecured loans to Borrower, to lease equipment or other goods to Borrower, or otherwise to extend additional oracit to Borrower; (B) to atter, compromise, renew, extends accelerate, or otherwise change one or more times the time for payment or other terms of the indebtedness or any part of the Indebtedness, including Increases and decrease of the rate of Interest on the Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) to take and hold security for the payment of this Guaranty or the Indebtedness, and exchange, enforce, welve, subordinate, fall or decide not to perfect, and release any such security, with or without the substitution of naw colleters; (D) to release, substitute, agree not to sue, or deal with any one or more of Borrowor's sureries, andorsers, or other guarantors on any terms or in any manner Lender may choose; (E) to determine how, when and what application of payments and credite shall be made on the Indebtedness; (F) to apply such security and direct the order or manner of sale theroof, including without limitation, any nonjudicial sale parmitted by the terms of the controlling security agreement or deed of trust, as Londer in its discretion may determine; (G) to sell, trensfer, assign or green participations is all or any part of the Indebtedness; and (H) to assign or transfer this Guaranty in whole or in part.

Guaranty in whole or in part.

GUARANTOR'S REPRESENTATIONS AND WARRANTIES. Guarantor represents and warrants to Lender that (A) no representations or agreements of any kind have been made to Guarantor which would limit or quality in any way the terms of this Guaranty; (B) this Guaranty is executed at Borrower's request and not at the request of Lender; (C) Guarantor has foil power, right and authority to enter into this Guaranty; (D) the provisions of this Guaranty do not conflict with or result in a default under any agreement or other instrument binding upon Guarantor; and do not result in a violation of any law, regulation, court decree or order applicable to Guarantor; (E) Guarantor has not and will not, without the prior written consent of Lender, saff, lease, easign, enoumber, hypothecate, transfer, or otherwise dispose of all or substantially all of Guarantor's seasts, or any interest therein; (F) upon Lender's request, Guarantor will provide to Lender financial and credit information in form acceptable to Lander, and all such financial information which currently has been, and all future financial and credit information which currently has been, and all future financial information which will be provided to Lender is and will be true and correct in all material respects and fairly present Guarantor's financial condition since the date of the most recent financial stetements provided to Lender and no event has occurred which may materially adversely affect Guarantor's financial condition; (H) no litigation, claim, investigation, administrative proceeding or similar action (Including those for unpaid texes) against Guarantor is pending or

#### COMMERCIAL GUARANTY (Continued)

Loan No: 11800008159001

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threstened; (i) Lender has made no representation to Guarantor as to the creditworthiness of Borrower; and (j) Guarantor has established adequate means of obtaining from Borrower on a continuing bests information regarding Borrower's financial condition. Guarantor agrees to keep adequately informed from such means of any facts, events, or circumstances which might in any way affect Guarantor's risks under this Guaranty, and Guarantor further agrees that, absent a request for information, Lender shall have no obligation to disclose to Guarantor any information or decuments acquired by Lender in the course of its relationship with Borrower.

GUARANTOR'S WAIVERS. Except as prohibited by applicable law, Guarantor walvas any right to require Londer (A) to continue lending money or to extend other credit to Borrower; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of the indebtedness or of any nonpayment related to any collateral, or notice of any autent, enderser, or other guarantor in connection with the Indebtedness or in connection with the credit or on noncollon with the credit or or obligations; (C) to resent for payment or to proceed directly or at once against ony person, including Borrower or any other guarantor; (D) to proceed directly against or exhaust any collateral held by Londer from Borrower, any other guarantor, or any other person; (E) to give or the terms, time, and place of any public or pivate sale of personal property security hold by Londer from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Londer's power; or (G) to commit any sot or omission of any kind, or at any time, with respect to any matter whatesever.

Guaranter also walves any and all righte or defenses based on surotyahip or impoirment of collateral including, but not limited to, any rights or defenses arising by reason of (A) any "one action" or "anti-deficiency" law or any other law which may prevent Londer from bringing any action, including a claim for deficiency, against Guaranter, before or after Lander's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale; (B) any election of remedies by Lander which destroys or otherwise adversely affects Guaranter's subrogation rights or Guaranter's rights to proceed against Borrower for reimbursament, including without limitation, any loss of rights Guaranter may surfer by reason of any jaw limiting, qualifying, or dischorging the indebtedness; (C) any disability or other defense of Borrower, of any other guaranter, or of any other person, or by reason of the cessation of Borrower's liability from any acuse whateoever, other than payment in full in tegal tender, of the indebtedness; (D) any right to claim discharge of the indebtedness on the basis of unjustified impairment of any ocilateral for the indebtedness; (D) any right to claim discharge of the indebtedness on the basis of unjustified Classrator is commenced, there is outstanding indebtedness which is not barred by any applicable atolute of limitations; or (F) any defenses given to guaranters at law or in equity other than actual payment and performance of the Indebtedness. If payment is made by Borrower, to Borrower's trustee in bankruptey or to any similar person under any federal or state bankruptey law or law for the relief of debtors, the Indebtedness as all ibe considered uspeld for the purpose of the onforcement of this Guaranty.

Guerantor further waives and agrees not to assert or claim at any time any deductions to the amount guaranteed under this Gueranty for any claim of setoff, counterclaim, counter demand, recompand or similar right, whether such claim, demand or right may be asserted by the Borrower, the Guerantor, or both.

GUARANTOR'S UNDERSTANDING WITH RESPECT TO WAIVERS. Guerenter werrants and agrees that each of the waivers set forth above is made with Guaranter's full knowledge of its significance and consequences and that, under the diroumstances, the waivers are reasonable and not contrary to public policy or law. If any such weiver is determined to be contrary to any applicable law or public policy, such weiver shall be effective only to the extent permitted by law or public positor.

HIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of sotoff in all Guarantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Guarantor holds jointly with someone also and all accounts Guarantor may open in the fource. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Guarantor authorizes Lender, to the extent permitted by applicable law, to hold these funds if there is a default, and Lender may apply the funds in those accounts to pay what Guarantor owas under the terms of this Guaranty.

SUBORDINATION OF BORROWER'S DERTS TO GUARANTOR. Guarantor egrees that the Indebtodness, whether now existing or hereafter created, shall be superior to any oleim that Guarantor may now have or hereafter sequire against Borrower, whether or not Borrower becomes insolvent. Guarantor hereby expressly subordinates any claim date may have against Borrower, upon any account whatsoever, to any claim that Lender may now or hereafter have against Borrower. In the event of insolvency and consequent liquidation of the assets of Borrower, through bankruptey, by an essignment for the benefit of creditors, by voluntery liquidation, or otherwise, the assets of Borrower, through bankruptey, by an essignment for the benefit of creditors, by voluntery liquidation, or otherwise, the assets of Borrower applicable to the payment of the claims of both Lender and Guarantor shall be paid to Lender and shell be first applied by Lender to the Indebtedness. Guarantor does hereby essign to Lender all oleims which it may have or acquire against Borrower or against any essignee or trustee in benkruptcy of Borrower; provided however, that such assignment shell be effective only for the purpose of assuring to Lender full payment in legal tender of the Indebtedness. If Lender so request, any notes or credit agreements now or hereafter evidencing any debts or obligations of Borrower to Guarantor shall be marked with a legand that the same are subject to this Guaranty and shall be delivered to Lender. Guarantor sgrees, and Lender is hereby authorized, in the name of Guarantor, from time to time to file financing statements and continuation statements and to execute documents and to take such other actions as Lender deems necessary or appropriate to partoot, preserve and enforce its rights under this Guarantor.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Gueranty:

Amendments. This Gueranty, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Gueranty. No siteration of or amendment to this Gueranty shall be effective unless given in writing and signed by the party or perties sought to be charged or bound by the alteration or amendment.

signed by the party or perties sought to be charged or bound by the alteration or amendment.

Arbitration. Borrower and Guaranter and Lender agree that all disputes, claims and controversion between them whether individual, joint, or class in nature, arising from this Guaranty or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No set to take or dispose of any Collateral shall constitute a wolver of this subtration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive rolled or a temporary restabling order; invoking a power of sets under any deed of trust or mortgager obtaining a writ of attachment or imposition of a receiver; or exercising any lights refelling to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversics concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any Collateral, including any claim to resolud, reform, or otherwise modify any agreement relating to the Collateral, shall sice be arbitrated, provided however that no arbitrator shall have the right or the power to onight or restrain any ect of any party. Judgment upon any award condered by any arbitrator may be entered in any court having jurisdotion. Notifing in this Guaranty shall proclude any party from seeking equitable relief from a court of competent jurisdicition. The attacts of limitations, estoppal, walver, laches, and sinker doctrines which would otherwise be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be downed the commencement of an arbitration provision.

Attorneys' Fees; Expenses. Guaranter agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Guaranty. Lender may hire or pay someone clee to help enforce this Guaranty, and Guarantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawauit, including attorneys' foce and legal expenses for bankruptcy processings (including efforts to modify or vacets any sutematic stay or injunction), appeals, and any anticipated post-judgment collection services. Guaranter also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Guaranty are for convenience purposes only and are not to be used to interpret or define the provisions of this Guaranty.

Governing Law. This Gunrenty will be governed by federal law applicable to Londor and, to the extent not preempted by federal law, the laws of the State of Mississippi without regard to its conflicts of law provisions.

Integration. Guarantor further agrees that Guarantor has read and fully understands the torms of this Guaranty; Guarantor has had the opportunity to be advised by Guarantor's attenney with respect to this Guaranty; the Guaranty fully reflects Guarantor's intentions and parel evidence is not required to interpret the terms of this Guaranty. Guarantor hereby indemnifies and holds Lender harmless from all leases, cisims, demages, and coats (including Lender's atterneys' fees) suffered or incurred by Londer as a result of any broach by Guarantor of the warranties, representations and agreements of this paragraph.

Interpretation. In all cases where there is more than one Borrower or Quarentor, then all words used in this Guarenty in the singular shell be deemed to have been used in the plural where the context and construction so require; and where there is more than one Borrower named in this Guarenty or when this Quarenty is executed by more than one groundor, the words "Borrower" and "Quarentor respectively shell mean all and any one or more of them. The words "Guarentor," "Borrower," and "Lender" include the helps, successors, assigns, and transferess of each of them. If a court finds that any provision of this Guarenty all not mean that the rest of this Guarenty will not be visited or anioration, a court will enforce the rest of the provisions of this Guarenty even if a provision of the Guarenty even if a pro

### COMMERCIAL GUARANTY (Continued)

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Loan No: 11800008159001

into the powers of Borrower or Guarantor or of the officers, directors, partners, managers, or other egents soting or purporting to act on their behalf, and any indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed under this

Notices. Any notice required to be given under this Guaranty shall be given in writing, and, except for revocation notices by Guarantor, shall be offactive when actually delivered, when actually received by telefaceimile (unless otherwise required by law), when deposited with a nationally receipled overnight counter, or, if melied, when deposited in the United States mell, as first class, certified or registered mell postage prepaid, directed to the addresses shown near the beginning of this Guaranty. All revocation notices by Guarantor shall be in writing and shall be effective upon delivery to Lender as provided in the section of this Guaranty entries "DURATION OF GUARANTY." Any party may change its address for notices under this Guaranty by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Guarantor agrees to keep Lender Informed at all times of Guarantor's current address. Unless otherwise provided or required by faw, if there is more than one Guarantor, any notice given by Lender to any Guarantor is desimed to be notice given to all Guarantors. to any Guaranter le deamed to be notice given to all Guarantera.

No Waiver by Lander. Lender shall not be dearned to have waived any rights under this Guaranty unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Guaranty shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or eny other provision of this Guaranty. No prior waiver by Lender, nor any course of dealing between Lender and Guarantor, shall constitute a waiver of any of Lender's rights or of any of Guarantor's obligations as to any future transactions. Lender and Guarantor of Lender is required under this Guaranty, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Successors and Assigns. Subject to any limitations stated in this Guaranty on transfer of Guarantor's interest, this Guaranty shall be binding upon and inure to the benefit of the parties, their successors and assigns.

Walvo Jury. Londor and Guaranter hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Guaranter against the other.

CONSTRUCTION WITH OTHER GUARANTIES. No guaranty hereafter executed and delivered with respect to any flability, obligation or debt of Borrower to Londer shall be construed or deemed (i) to limit, restrict or otherwise adversely effect any security interest or other interest in proporty, or any other right, power or remedy, granted to or vested in Lender under or parauant to either this Guaranty or any Related Document, or (ii) to alter or amond this Guaranty, or (iii) to be, or to give rise to, any waiver by Lender of any right under this Guaranty, unless such guaranty, or another written instrument signed by Lender, so provides by express reference to this Guaranty.

In addition, this Guerenty shell not be construed or deemed (a) to limit, restrict or otherwise adversely affect any security interest or other interest in property, or any other right, power or remedy, granted to or vested in Lender under or pursuant to any guerenty now existing with respect to any liability, obligation or debt of Borrower to Lender, or (ii) to alter or emend any such gueranty, or (iii) to be, or to give rise to, any welver by Lender of any right under any such gueranty.

DEFINITIONS. The following capitalized words and terms shall have the following meenings when used in this Guaranty. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Guaranty shall have the meanings studented to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means B & E Packing LLC and includes all co-signers and co-makers signing the Note and all their suggessors and assigns.

Guerantor. The word "Guerantor" means everyone signing this Gueranty, including without limitation JOHN SCOTT EDMONDSON, and in each case, any signer's successore and assigns.

Guaranty. The word "Guaranty" means this guaranty from Guaranter to Lender.

Indobtedness. The word "Indobtedness" means Borrower's indebtedness to Lender as more particularly described in this Guaranty.

Lender. The word "Lender" means REGIONS BANK, its successors and assigns.

Note. The word "Note" means and holivies without limitation all of Barrower's promissory notes and/or credit agreements evidencing Barrower's loan obligations in favor of Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of and substitutions for promissory notes or credit agreements.

Related Documents. The words "Related Documents" meen all promissory notes, credit agreements, lean agreements, environmental agreements, puerentles, security agreements, mortgages, deeds of trust, security deeds, colleteral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

EACH UNDERSIGNED GUARANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS GUARANTY AND AGREES TO ITS TERMS. IN ADDITION, EACH GUARANTOR UNDERSTANDS THAT THIS GUARANTY IS EFFECTIVE UPON GUARANTOR'S EXECUTION AND DELIVERY OF THIS GUARANTY TO LENDER AND THAT THE GUARANTY WILL CONTINUE UNTIL TERMINATED IN THE MANNER SET FORTH IN THE SECTION TITLED "DURATION OF GUARANTY". NO FORMAL ACCEPTANCE BY LENDER IS NECESSARY TO MAKE THIS GUARANTY EFFECTIVE, THIS GUARANTY IS DATED SEPTEMBER 8, 2007.

GUARANTOR:

Latte Dealton Los Van & St. Co. Co. Com. Harton Council Calculate, Inc. 1997, 20

# REGIONS A BANK COMMERCIAL GUARANTY

**美帆/6**劇 A Apopunt : Jacon No: Loan Date Principsi VSRP6 \$241 References in the shaded area are for Lender's use only and do not limit the applicability of this document to eny particular icen or help.

Any item above conteining \*\*\*\*\* has been omitted due to text length limitations.

Borrower:

B & E Packing LLC ( 710 Hwy 8 E Vardamen, MS 38878

Quarantor: STEPHEN BAILEY

60 HWY 341 8 VARDAMAN, MB 38678-9581

Lender:

REGIONS BANK CALHOUN CITY 211 NORTH MAIN STREET CALHOUN CITY, MS 38916

CONTINUING GUARANTEE OF PAYMENT AND PERFORMANCE. For good and valuable consideration, Guarantor absolutely and unconditionally guarantees full and punctual payment and satisfaction of the indebtedness of Borrower to Lander, and the performance and not of collection, so Borrower's obligations under the Note and the Related Documents. This is a guaranty of payment and performance and not of collection, so Borrower's obligations under the Note and the Related Documents. This is a guaranty of payment and performance and not of collection, so Borrower's obligations are described anyone class obligated to Lender sen enforce this Guaranty against Guarantor away when Lender has not exhausted Lender's remedies against anyone class obligated to Lender sen enforce this Guaranty against any collected securing the Indebtedness, this Carantor pay the Indebtedness or sgainst any collected securing the Indebtedness of America, in asme-day funds, without set-off or will make any payments to Lender or its order, on demand, in legal tender of the United States of America, in asme-day funds, without set-off or deduction or counterclaim, and will otherwise perform Borrower's obligations under the Note and Related Documents. Under this Guarantor's liability is unlimited and Guarantor's obligations are continuing.

Quarentor's liability is unlimited and Quarantor's obligations are continuing.

INDERTEDNESS. The word "indobtedness" as used in this Quaranty means all of the principal amount outstanding from time to time and at any one or more times, accorded unpaid interest thereon and all collection costs and legal expanses related thereto permitted by law, attornoys' fees, one or more times, accorded unpaid interest thereon and all collection costs and legal expanses related thereto permitted by law, attornoys' fees, one or more times, accorded thereto permitted by law, attornoys' fees, one or will one or more stated by a state of the principal amount of contents and all debts, liabilities and obligations of every nature or form, now existing or indudes, without limitation, toans, advances, individually or collective developes, oradit pard indebtedness, teess obligations, liabilities and obligations under any interest rate protection agreements, other obligations, and liabilities of Borrower, and any present or future judgments agreements or commodity price protection spreements, other obligations, and liabilities of Borrower, future advances, loans or transactions that renew, extend, modify, refinance, consolidate any present or future judgments agreements of commodity in contents the price of the primary or secondary in nature or substitute these debts, liabilities and obligations whether: voluntarily or involuntarily incurred; due or to become due by their terms or socialization; absolute or contingent; liquidated or unfaquidated; determined of undered milities or indirect primary or secondary in nature or accidence of undered primary or secondary in nature or accidence of undered primary or secondary in nature or accidence of undered primary or secondary in nature or accidence of undered primary or secondary in nature or undered primary or secondary in nature or considerations that may be voidable for one reason (such as infancy, insanity, ultra virae or otherwise); and originated then reduced or transactions that may

If Londer presently holds one or more gueranties, or hereafter receives additional gueranties from Guerantor, Lender's rights under all gueranties shall be cumulative. This Gueranty shall not (unless specifically provided below to the contrary) affect or invalidate any such other gueranties. Guerantor's liability will be Guerantor's aggregate liability under the terms of this Gueranty and any such other unterminated gueranties.

CONTINUING GUARANTY. THIS IS A "CONTINUING GUARANTY" UNDER WHICH GUARANTOR AGREES TO GUARANTEE THE FULL AND PUNCTUAL PAYMENT, PERFORMANCE AND SATISFACTION OF THE (NOESTEDNESS OF BORROWER TO LENDER, NOW EXISTING OR HERBAFTER ARISING OR ACQUIRED, ON AN OPEN AND CONTINUING BASIS. ACCORDINGLY, ANY PAYMENTS MADE ON THE INDESTEDNESS WILL NOT DISCHARGE OR DIMINISH GUARANTOR'S OBLIGATIONS AND LIABILITY UNDER THIS GUARANTY FOR ANY INDESTEDNESS WILL NOT DISCHARGE OR DIMINISH GUARANTOR'S OBLIGATIONS AND LIABILITY UNDER THIS GUARANTY FOR ANY REMAINING AND SUCCEEDING INDESTEDNESS EVEN WHEN ALL OR PART OF THE CUTSTANDING INDESTEDNESS MAY BE A ZERO BALANCE FROM TIME TO TIME.

BALANCE FROM TIME TO TIME.

DURATION OF GIJARANTY. This Guaranty will take effect when received by Lender without the necessity of any acceptance by Lender, or any notice to Guarantor or to Borrower, end will continue in full force until ell the Indebtedness incurred or contracted bafore receipt by Lender of notice to Guarantor or to Borrower, end will continue in full force until ell the Indebtedness incurred or contracted bafore receipt by Lender of been performed in full. If Guarantor elects to revoke this Guarantor may only do ac in writing. Guarantor's written notice of been performed in full. If Guarantor elects to revoke this Guarantor may only do ac in writing. Guarantor's written notice of revocation must be mailed to Lender, by certified mail, at Lender's address listed above or such other place as Lender may designate in writing. Written revocation of this Guarantor will apply only to new Indebtedness elected effer actual receipt by Lender of Guarantor's written revocation. Written revocation is contingent, unliquidated, undetermined or not due and which leter baccomes shedules, liquidated, determined or due. For this purpose and without finitetion, "new indebtedness" does not include all or part of the Indebtedness which at its incurred by Borrower prior to revocation; incurred under a commitment that became binding before revocation; any renewals, extensions, substitutions, and modifications of revocation; incurred under a commitment that became binding before revocation; any renewals, extensions, substitutions, and modifications of revocation; incurred under a commitment that became binding before revocation; any renewals, extensions, substitutions, and modifications of revocation; incurred under a commitment that became binding before revocation; any renewals, extensions, substitutions, and modifications of the indebtedness. This Guarantor's settle of Guarantor which Guarantor might heve terminated it and with the same effect. Roless of sny other guarantor or termination of any other guarantor of

Indebtedness remains unpaid and even though the indebtedness may from time to time be zero dollars (\$0.00).

GUARANTOR'S AUTHORIZATION TO LENDER. Guerentor authorizes Lender, either before or efter any revocation hereof, without notice or domand and without lesening Guarantor's liability under title Gueranty, from time to time. (A) prior to revocation as est forth above, to make one or more additional secured or unsecured loans to Borrower, to lease equipment or other goods to Borrower, or otherwise to extend any control of the indebtedness of the secured or other terms of the indebtedness or any part of the indebtedness, including increases and decreases of the rate of interest on the indebtedness; extensions may be repeated and may be for longer then the original loan term! (C) to take and hold acounty for the payment of indebtedness; extensions may be repeated and may be for longer then the original loan term! (C) to take and hold acounty for the payment of indebtedness; end exchange, enforce, waive, subordinate, fall or decide not to perfect, and release any such accurity, with or without the substitution of new collateral; (O) to release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, or without the substitution of new collateral; (O) to release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, or without perfect, and release any such accurity, with or other guerantors on eny terms or in any manner Lender may choose; (E) to determine how, when end what application of new decreases or other guerantors on eny terms or in any manner Lender may choose; (E) to determine how, when end what application without limitation, any nonjudicial sele permitted by the terms of the controlling accurity agreement or deed of trust, as Lender in its discretion may determine; (G) to sell, transfer, assign or grant participations in all or any part of the indebtedness; and (H) to assign or transfer this Gueranty in whole or in part.

Gueranty in whole or in part.

GUARANTOR'S REPRESENTATIONS AND WARRANTIES. Guerantor represents and warrants to Lender that (A) no representations or agreements of any kind have been made to Guerantor which would limit or qualify in any way the terms of this Gueranty; (B) this Gueranty is executed at Borrower's request and not at the request of Lender; (C) Guerantor has full power, right and authority to enter into this Gueranty; executed at Borrower's request and not at the request of Lender; (C) Guerantor has full power, right and authority to enter into this Gueranty; (D) the provisions of this Gueranty do not conflict with or result in a default under any agreement or other instrument binding upon Guerantor and do not result in a violation of any law, regulation, court decree or order applicable to Guerantor; (E) Guerantor has not and will not, without and do not result in a violation of any law, regulation, court decree or order applicable, or otherwise dispose of all or substantially all of the prior written consent of Lender, self, lesses, selgn, encomber, hypothecate, trensfer, or otherwise dispose of all or substantially all of the prior written consent of Lender, self, lesses, selgn, encomber, hypothecate, trensfer, or otherwise dispose of all or substantially all of the prior written consent of Lender, self, lesses, selgn, encomber, hypothecate, trensfer, or otherwise dispose of all or substantially all of the consent the case, and all such financial information which oursently has been, and all future financial information which will be provided to Lender, and all such financial information which oursently has been, and all future financial information which will be provided to Lender the all information which oursently has been, and all financial condition as of the date of the most received information in formation since the date of the most received information in formation since the date of the most received information in formation since the date of the most received information and the provide

# COMMERCIAL GUARANTY (Continued)

Loan No: 11800008159001

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threatened; (i) Lender has made no representation to Guerantor as to the oraditworthiness of Borrower; and (J) Guerantor has established adequate means of obtaining from Borrower on a continuing besis information regarding Borrower's (incadial condition. Guerantor agrees to keep adequately informed from such means of any facts, evants, or circumstances which might in any way affect Guerantor's risks under this Gueranty, and Guerantor further agrees that, absent a request for information, Lender shall have no obligation to disclose to Guerantor any information or documents acquired by Lender in the course of its relationship with Borrower.

GUARANTOR'S WAIVERS. Except as prohibited by epplicable law, Guarantor waives any right to require Londor (A) to continue londing money or to extend other cradit to Borrower; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any noneyment of the Indebtedness or of any noneyment related to any collateral, or notice of any action or nonection on the part of Borrower, noneyment related to any collateral, or notice of any action or nonection on the part of Borrower, noneyment related to any collateral, or notice of any action or nonection on the part of Borrower, noneyment related to any collateral plants on your process. Including Borrower or any other guarantor; tosse or obligations; (C) to resort for payment or to proceed directly or at one against any porson, including Borrower or any other guarantor; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of parsonal property security held by Lender from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remody within Lender's power; or (G) to commit any act or omission of any kind, or at any time, with respect to any matter whateoever.

Quaranter also walves any and all rights or defenses based on suretyphip or impairment of collateral including, but not limited to, any rights or defenses srieing by reason of (A) any "one action" or "anti-deficiency" law or any other law which may prevent Lender from bringing any action, including a claim for deficiency, against Quaranter, before or eiter Lender's commencement or completion of any foreclosure action, including a claim for deficiency, against Quaranter, before or eiter Lender's commencement or completion of any foreclosure action, including a claim for deficiency, against Quaranter, before or eiter Lender's commencement, including without limitation, any loss of Guaranter's rights or grower of sele; (B) any elaction of remedies by Lender which dustroys or otherwise adversely affects Guaranter's rights to proceed against Borrower for reimburacement, including without limitation, any loss of Guaranter may suffer by reason of early law limiting, quellifying, or discharging the indebtedness; (C) any disability or other defense of Borrower, of any other guaranter, or of any other parson, or by reason of the assation of Borrower's liability from any cause whatsoever, other Borrower, of any other guaranter, or of any other parson, or by reason of the assation of Borrower's liability from any cause whatsoever, other then payment in full in legal tender, of the indebtedness; (D) any right to other discharge of the indebtedness on tho basis of unjustified then payment of any other parson, of the indebtedness which is not barred by any applicable statute of limitations, or (F) any defenses Quaranter is commenced, there is outstanding indebtedness which is not barred by any applicable statute of limitations, or (F) any defenses Quaranter is down to a substantial payment and paylormance of the indebtedness. If payment is made by Borrower, given to guarantere at law or in equity other than actual payment and paylormance of the indebtedness. If payment is made by Borrower, whether volunterly or otherwise, or

Guerentor further walves and agrees not to assert or claim at any time any deductions to the amount guaranteed under this Guerenty for any claim of satoff, downterclaim, counter demand, recoupment or similar right, whether such claim, demand or right may be asserted by the Borrower, the Guerantor, or both.

QUARANTOR'S UNDERSTANDING WITH RESPECT TO WAIVERS. Querantor warrents and agrees that each of the waivers set forth above is made with Guerantor's full knowledge of its significance and consequences and that, under the ofreumstances, the waivers are reasonable and not contrary to public polloy or law. If any such waiver is determined to be contrary to any applicable law or public polloy, such waiver shell be effective only to the extent permitted by law or public polloy.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Guarantor's accounts with Londer (whether checking, savings, or some other account). This includes all accounts Guarantor holds jointly with someone also and all accounts Guarantor may open in the future. However, this does not include any IRA or Keegh accounts, or any trust accounts for which setoff would be prohibited by law. Guarantor authorizes Lender, to the extent permitted by applicable law, to hold those funds if there is a default, and Lender may apply the funds in these accounts to pay what Guarantor owes under the terms of this Guaranty.

SUBORDINATION OF BORROWER'S DEBTS TO GUARANTOH. Guarantor agrees that the Indebtedness, whother now existing or hereafter created, shall be superior to any claim that Guarantor may now have or hereafter acquire against Borrower, upon any account whatsoever, to any insolvent. Guarantor hereby expressly subordinates any claim that Lender may now or hereafter have against Borrower, upon any account whatsoever, to any insolvent, and are not superior and consequent liquidation of the essets of Borrowar, claim that Lender may now or hereafter have against Borrower. In the event of insolvency and consequent liquidation of the essets of Borrowar, through bankruptoy, by an assignment for the benefit of creditors, by voluntary liquidation, or otherwise, the assets of Borrower spliceble to the payment of the claims of both Lender and Guarantor shell be paid to Lender and shell be lifter applied by Lender to the Indebtedness, the payment of the claims of both Lender all claims which it may have or acquire against Borrower or against any assignee or trustee in benkruptcy of Borrower; provided however, that such assignment shell be effective only for the purpose of assuring to Lander full payment in benkruptcy of Borrower; provided however, that such assignment shell be effective only for the purpose of assuring to Lander full payment in Borrower to Guarantor shell be marked with a legand that the same are subject to this Guaranty and shell be delivered to Lender. Guarantor agrees, and Lender is hereby authorized, in the name of Guarantor, from time to time to file financing statements and continuation statements and to execute documents and to take such other actions as Lender deems necessary or approprieto to perfect, preserve and enforce its rights under this Guaranty.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Guaranty:

Amendments. This Guerenty, together with any Related Documents, constitutes the ontire understanding and agreement of the parties as to the matters set forth in this Gueranty. No siteration of or emendment to this Gueranty shall be offeetive unless given in writing and signed by the party or parties sought to be charged or bound by the elteration or amendment.

signed by the party or parties zought to be charged or bound by the elteration or amendment.

Arbitration. Borrower and Guarantor and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Guaranty or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to take or dispose of any Collateral shall constitute a waiver of this subtration agreement or be prohibited by this subtration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a reselver; or exercising enter; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a reselver; or exercising enter; invoking a prover of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a reselver; or exercising entering the personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lewfulness or reasonableness of any act, or exercise of any infet, concerning any Colleges, including any college, concerning any Colleges, including any college, concerning any Colleges, including any colleges, calculated in the colleges of any infet, concerning any Colleges, including any colleges of any infet deed in any court having jurisdiction. Nothing in this Guaranty shall produce any party from seeking equitable relief from a court of competent jurisdiction. The etatute of limitations, estoppel, welver, isohoe, and similar doutrines which would otherwise be applicable in any arbitration proceeding, and the commencement of an arbitration pro

Attorneys' Feas; Expenses. Quarantor agrees to pay upon demand all of Lander's costs and expenses, including Lander's attorneys' feas and Lander's legal expenses, incurred in connection with the enforcement of this Quaranty. Lander may hire or pay someone else to help enforce this Guaranty, and Guarantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lander's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy processings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any enticipated post-judgment collection services. Guarantor also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Gueranty are for convenience purposes only and are not to be used to interpret or define the provisions of this Gueranty.

Governing Law. This Guaranty will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Mississippi without regard to its conflicts of law provisions.

Integration. Guerantor further agrees that Guerantor has read and fully understands the terms of this Gueranty; Quarantor has had the opportunity to be advised by Guerantor's intontions and perol evidence is not required to interprat the terms of this Gueranty, the Gueranty fully rolleds Guerantor's intontions and perol evidence is not required to interprat the terms of this Gueranty, Guerantor hereby indemnifies and holds Londer narmless from all losses, delime, demages, and oosts linotucing Lender's attorneys' fees) suffered or incurred by Lender as a result of any broach by Guerantor of the warranties, representations and agreements of this paragraph.

Interpretation. In all cases where there is more than one Borrower or Gusrantor, then all words used in this Guaranty in the singular shall be deemed to have been used in the plurel where the context end construction so require) and where there is more than one Borrower named in this Guaranty or when this Guaranty is executed by more than one Guarantor, the words "Borrower" and "Conder" include the heirs, successors, easigns, and transferses of each of them. If a court finds that any provision of this Guaranty is not valid or should not be enforced, that fact by itself will not mean that the rest of this Guaranty will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Guaranty way be found to be invalid or unenforceable. If any one or more of Borrower or Guaranter are corporations, partnerships, limited liability companies, or similar entities, it is not necessary for Lendor to inquire

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**COMMERCIAL GUARANTY** (Continued)

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into the powers of Borrower or Guarantor or of the officers, directors, partners, managers, or other agents acting or purporting to act on their behalf, and any indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Guaranty,

Notices. Any notice required to be given under this Gueranty shall be given in writing, and, except for revocation notices by Guerantor, shall be effective when actually delivered, when actually received by telefacelmile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if melled, when deposited in the United States mall, as first class, certified or registered mall postage prepaid, directed to the addresses shown near the beginning of this Gueranty. All revocation notices by Guerantor shall be in writing and shall be effective upon delivery to Lender as provided in the section of this Gueranty entitled "DURATION OF GUARANTY." Any party may change its address for notices under this Gueranty by giving forms! written notice to the other parties, especifying that the purpose of the notice is to change the party's address. For notice purposes, Guerantor sprees to keep Lander Informed at all times of Guerantor's current address. Unless otherwise provided or required by law, if there is more than one Guerantor, any notice given by Lender to any Guerantor is deemed to be notice given to all Guerantors.

No Walver by Lender. Lender shall not be deamed to have waived any rights under this Guaranty unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Guaranty shall not prejudice or constitute a waiver of Lender's right otherwise to demand ericts compliance with that provision or other provision of this Guaranty. No prior waiver by Lender, nor any course of dealing between Lender and Guaranter, shall constitute a waiver of any of Lender's rights or of any of Guaranter's obligations as to any future transactions. Whenever the consent of Lender is required under this Guaranty, the granting of such consent by Lender in any instance shall not constitute continuing consent to authequant instances where such consent is required and in all cases such consent may be granted or withhald in the sole discretion of Lender.

Successors and Assigns. Subject to any limitations stated in this Guaranty on transfer of Guarantor's interest, this Guaranty shall be binding upon and inure to the benefit of the parties, their successors and essigns.

Waive Jury. Lender and Guaranter hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either Lender or Guaranter against the other.

CONSTRUCTION WITH OTHER GUARANTIES. No guaranty hereafter executed and delivered with respect to any liability, obligation or debt of Borrower to Lender shall be construed or deemed (i) to limit, restrict or otherwise adversely affect any security interest or other interest in property, or any other right, power or remedy, granted to or vested in Lander under or pursuant to either this Guaranty or eny Related Document, or (iii) to alter or emend this Guaranty, or (iii) to alter or emend this Guaranty, or limit to alter or emend this Guaranty, or limit to alter or emend this Guaranty, or limit to alter or emend the full control of the guaranty, or enother written instrument signed by Lender, so provides by express reference to this Guaranty.

In addition, this Gueranty shell not be construed or deemed (s) to limit, restrict or otherwise adversely affect any security interest or other interest in property, or any other right, power or remedy, granted to or vested in Lender under or pursuant to any guaranty now existing with respect to any liability, obligation or debt of Borrower to Lender, or (ii) to after or amend any such guaranty, or (iii) to be, or to give rise to, any walver by Lender of any right under any such guaranty.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Guaranty. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not offserwise dafined in this Guaranty shall have the meanings attributed to such terms in the Uniform Commercial Code:

Serrower. The word "Borrower" means B & E Packing LLC and Includes all co-signers and co-makers signing the Note and all their

Guaranter. The word "Guaranter" means everyone signing this Guaranty, including without limitation STEPHEN BAILEY, and in each ceas, any signer's successors and assigns.

Guaranty. The word "Guaranty" means this guaranty from Guarantor to Lender.

indebtodness. The word "indebtedness" means Borrower's indebtedness to Lender as more particularly described in this Guaranty.

Londor. The word "Lendor" means REGIONS BANK, its successors and assigns.

Note. The word "Note" meens and includes without limitation all of Borrower's promissory notes and/or credit agreements evidencing Borrower's loan obligations in favor of Lender, together with all renewals of, extensions of, modifications of, refinencings of, consolidations of and substitutions for promissory notes or credit agreements.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deads of trust, security deads, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

EACH UNDERSIGNED GUARANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS GUARANTY AND AGREES TO ITS EACH UNDERSIGNED GUARANTUR, ACKNOWLEDGES HAVING HEAD ALL THE PROVISIONS OF THIS GUARANTY AND AGREES TO THE TERMS, IN ADDITION, EACH GUARANTOR UNDERSTANDS THAT THIS GUARANTY IS EFFECTIVE UPON GUARANTOR'S EXECUTION AND DELIVERY OF THIS GUARANTY TO LENDER AND THAT THE GUARANTY WILL CONTINUE UNTIL TERMINATED IN THE MANNER SET FORTH IN THE SECTION TITLED "DURATION OF GUARANTY". NO FORMAL ACCEPTANCE BY LENDER IS NECESSARY TO MAKE THIS GUARANTY EFFECTIVE. THIS GUARANTY IS DATED SEPTEMBER 8, 2007.

LASER PRO Landing, Var. 1-58-00,004 Co.pr., Ratical Phonolal Interior, Ing. 1797, 2007. All Rights Fairments, « Ma Riccial Palification The Salesta Propagation of the Control of the Cont

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WHEN RECORDED MAIL TO:

Regions Bank Attention: Jackie C. Blue P. O. Box 947 Grenada, MS 38902-0947

MARTHA MARTIN, CLERK DOCUMENT ID

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

This Deed of Trust prepared by: STACY LEWIS REGIONS BANK 211 NORTH MAIN STREET CALHOUN CITY, MS 38916 (800) 734-4667 NOTE TO CHANCERY CLERK:



DOC23500011800008159001000000

## **DEED OF TRUST**

THIS DEED OF TRUST is dated September 6, 2007, among JOHN SCOTT EDMONDSON ("Grantor"); REGIONS BANK, whose address is CALHOUN CITY, 211 NORTH MAIN STREET, CALHOUN CITY, MS 38916 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and Charles N. Parrot. Adams and Reese LLP, whose address is 111 E. Capitol St. Suite 350 (Zip - 39201), PO Box 24297, Jackson, MS 39225-4297 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor conveys to Trustee for the benefit of Lender as Beneficiary all of Grantor's right, title, and Interest in and to the following described real property, together with all legitting of subsequently erected or affixed buildings, improvements and fixtures; all easements, rights of way, and appuritenances; all water, water rights and ditch rights including stock in utilities with ditch or krigation rights; and all other rights, royalties, and profits real property including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Calhoun County State of Mississippi:

See EXHIBIT "A", which is attached to this Deed of Trust and made a part of this Dead of Trust as if fully set forth herein.

The Real Property or its address is commonly known as 150 CR 429 Verdamin, MS 38878.

CROSS-COLLATERALIZATION. In addition to the Note, this Deed of Trust secures all obligations, their and liabilities, plus interest thereon, of either Grantor or Borrower to Lender, or any one or more of them, as well as all claims by Lender against Borrower and Grantor or any one or more of them, whether now existing or hereafter erising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Borrower or Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise. and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

Grantor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grentor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor warrants that: (a) this Deed of Trust is executed at Borrower's request and not at the request of Lender; (b) Grantor has the full power, right, and authority to enter into this Deed of Trust and to hypothecate the Property; (c) the provisions of this Deed of Trust do not conflict with, or result in a default under any agreement or other instrument binding upon Grantor and do not result in a violation of any law, regulation, court decree or order applicable to Grantor; (d) Grantor has established adequate means of obtaining from Borrower on a continuing basis information about Borrower's financial condition; and (e) Lender has made no representation to Grantor about Borrower (Including without limitation the creditworthiness of Borrower).

GRANTOR'S WAIVERS. Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Grantor, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deticiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Borrower and Grantor shall pay to Lender all Indebtedness secured by this Deed of Trust as it becomes due, and Borrower and Grantor shall strictly perform all their respective obligations under the Note, this Deed of Trust, and the Related Documents.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Borrower and Grantor agree that Borrower's and Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grentor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender In writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under,

affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

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about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing. (a) neither Grentor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manifecture, atom, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws; and (2) agrees to indemnity, defend, and hold harmless Lender against any and all claims, losses, liabilities, damages, penalties, and expenses which Lender may directly or indirectly sustain or suffer resulting from a breach of this section of the Dead of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Dead of Trust, including the obligation to indemnify and defend, shell survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Dead of Trust and shell not be

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scorie, soil, gravel or rock products without Lender's prior

Removal of Improvements. Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such improvements with improvements of at least equal value

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Reel Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of

Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances, and regulations, now or hereafter In effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Granter may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Granter has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion. Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grentor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property as all or transfer means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sele, deed; installing in sale contract, and contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in reasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or trained of any or to any land trust holding title to the Real Property, or by any other method of conveyance of significant in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. Sowever, this option shall not be exercised by Lender if such exercise is prohibited by federal law or ity Mississipp law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Daed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all-taxes, special taxes, assassments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all light having priority over or equal to the interest of Lender under this Deed of Trust, except for the light of taxes, and assessments out due, except for the Existing Indebtedness referred to below, and except as otherwise provided in this light of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessments of taxes, and it is also all lights or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after bond or other security satisfactory to Lender, in an amount sufficient to discharge that lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge that could account

satisfactory to Lender in an amount sufficient to discharge the Ilen plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of insurance. Grantor shall procure and maintain policies of five insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all Improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in lavor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall maintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least ten (10) days prior written notice to Lander. Each insurance policy also shall include an endorsament providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender have security is impaired, Lender may, at Lender's security is impaired, Lender's shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

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Compliance with Existing Indebtedness. During the period in which any Existing Indebtedness described below is in effect, compliance with the insurance provisions contained in the instrument evidencing such Existing Indebtedness shall constitute compliance with the insurance provisions under this Deed of Trust, to the extent compliance with the terms of this Deed of Trust would constitute a duplication of insurance requirement. If any proceeds from the insurance become payable on loss, the provisions in this Deed of Trust for division of proceeds shall apply only to that portion of the proceeds not payable to the holder of the Existing Indebtedness.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of Insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; end (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grentor fails to comply with any provision of this Dead of Trust or any Related Documents, including but not limited to Grantor's failure to comply with fells to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's fallure to comply with any obligation to maintain Existing Indebtedness in good standing as required below, or to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust slow will secure payment of these amounts. Such right shall be in addition to ell other rights and remedies to which Lender may be entitled upon Default. amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and cleer of all liens and encumbrances other than those set forth in the Real Property description or in the Existing Indebtedness section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws. ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Borrower's Indebtedness shall be paid in full.

EXISTING INDEBTEDNESS. The following provisions concerning Existing Indebtedness are silvery of this Deed of Trust:

Existing Lien. The lien of this Deed of Trust securing the Indebtedness may be secondary and inferior to an existing lien. Grantor expressly covenants and agrees to pay, or see to the payment of, the Existing Indebtedness and indebtedness and default under the instruments evidencing such indebtedness, or any default under any security documents for such indebtedness.

No Modification. Grantor shall not enter into any agreement with the holder of any modified, amended, extended, or genewed without the prior written consent of Lender. Grantor shall neither request nor accept any tolding advances under any security agreement without the prior written consent of Lender. Grantor shall neither request nor accept any tolding advances under any security agreement without the prior written consent of Lender. written consent of Lender.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of True

Proceedings. If any proceeding in condemnation is filled, Grantor shall promptly notify Lender in writing and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the grantor may be the condinal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding to the condinate of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation by additional states of its own time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust;

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (2) a specific tax on Borrower which Borrower is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Borrower.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shell take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lander for all expanses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lander (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained leach as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this

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Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, cartificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Borrower's and Grantor's obligations under the Note, this Dead of Trust, and the Related Documents, and (2) the liens and security interests created by this Dead of Trust on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by few or Lender agrees to the contrary in writing, Grantor shall relimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the praceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Borrower and Grantor pay all the Indebtedness when due, and Grantor otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor sultable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Any reconveyance fee required by law shall be paid by Grantor, if permitted by applicable law.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Borrower fails to make any payment when due under the Indebtedness

Other Defaults. Borrower or Grantor fails to comply with or to perform any other term, obligation, covanant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower or Grantor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filling of or to effect discharge of any lien.

Default in Favor of Third Parties. Should Borrower or any Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Borrower's or any Grantor's ability to repay the Indebtedness or perform their respective obligations under this Deed of Trust or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or Grantor or on Borrower's or Grantor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lient at any time and for any reason.

Death or Insolvency. The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the Death or Inscreancy. The dissolution or Grantor's (regardless of whether election to continue is inside, any installed with the death of any member, the limited flability company, or any other termination of Borrower's or Grantor's skillstence as a going business or the death of any member, the insolvency of Borrower or Grantor, the appointment of a receiver for hip'y part of Borrower, any type of creditor workout, or the commencement of any producing under any bankruptcy or insolvency laws by or against Borrower or Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by fudicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or Grantor or by any governmental agency against any property securing the Indebtedness. This including a gernishment of any of Borrower's or Grantor's posture, including deposit accounts, with Londor. However, this Event of Default shall not apply if there is a good faith dispute by Borrower's property reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower or Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the creditor or forfeiture proceeding.

proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute. 

Breach of Other Agreement. Any breach by Borrower or Grantor undit frequency or dispute that is not remedied within any grace period provided the light including without lightlation any agreement concerning any indebtedness or other obligation of Borrower or Grantor to Lender, whether prigning now or late.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

Adverse Change. A material adverse change occurs in Borrower's or Grantor's financial condition, or Lender believes the prospect of payment or performance of the Indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Existing Indebtedness. The payment of any installment of principal or any interest on the Existing Indebtedness is not made within the time required by the promissory note evidencing such indebtedness, or a default occurs under the instrument securing such indebtedness and is not cured during any applicable grace period in such instrument, or any suit or other action is commenced to foreclose any existing lien on

Right to Cure. If any default, other than a default in payment is curable and if Grantor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding (welve (12) months, it may be cured if Grantor, after receiving written notice from Lender demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate Indebtedness. Lender shall have the right at its option without notice to Borrower or Grantor to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Borrower would be required to pay.

Sale of Property. Grantor waives the provisions of Section 89-1-55, Mississippi Code of 1972, as amended, and any successor provisions. as far as said Section restricts the right of Trustee to offer at sale more than one hundred and sixty acres at a time, and Trustee may offer the Property as a whole or in part and in such order as the Trustee may deem best, regardless of the manner in which it may be described.

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall, at the request of Lender, sell the Real Property after giving notice of the time, place and terms of sale as required by Section 89-1-55 of the Mississippi Code of 1972, as amended, and any successor provisions, and execute a deed to the purchaser of the Real Property. Out of the proceeds arising from the sale, the costs and expenses of executing this Deed of Trust, including a reasonable Trustee's fee and the attorneys' fees prescribed in the Note or in this Deed of Trust, shall first be paid; next the smount of the Indebtedness then remaining unpaid shall be paid; and, lastly, any balance remaining shall be paid to Grantor or to Grantor's representatives agents or assigns.

UCC Ramedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code

Collect Rents. Lender shall have the right, without notice to Borrower or Grantor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the

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indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use flees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver

Tenancy at Sufference. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenent at sufference of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or available at law or in

Notice of Sale. Lender shall give Grantor reesonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Property. To the extent permitted by applicable law, Borrower and Grantor hereby walves any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shell be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Attorneys' Fees: Expenses. If Lender institutes any sult or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attentive single and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit. including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Granton also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Granton (all join in preparing and filling a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any essement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Died of Trust or the interest of Lender under this

Obligations to Notify. Trustee shall not be obligated to notify any other party of a panding sale under any other trust deed or iten, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee and the action or proceeding is brought by Trustee. Trustee, and the grant of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee obeing Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender, and grantor, the instrument shall contain, in addition to all other fine of the original Lender, Trustee, and Grantor, the book and page where this Deed of Trust is recorded the first of the property of the successor trustee, and the instrument shall be executed and acknowledged by Lender or its successors in integral. The property shall succeed to all the title, power, and duties conferred upon the Trustee that its Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution. procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

NOTICES. Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mall postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Arbitration. Borrower and Grantor and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Deed of Trust or otherwise, including without limitation contract and tort disputes, shall be erbitrated pursuant to the Rules of the American Arbitration Association in effect at the time the claim is filed, upon request of either party. No act to take or dispose of any Property shall constitute a walver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any dead of trust or includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any dead of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any Property, including any claim to rescind, reform, or otherwise modify any agreement relating to the Property, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to anjoin or restrain any act of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Dead of Trust shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, weiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any protration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, Interpretation, and enforcement of this arbitration provision. construction, interpretation, and enforcement of this arbitration provision.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at

c 30 Filed 06/25/10 Entered 06/28/10 10:00:00:150150esc Main Page 46 of 56 CHANCERY COURT Page 4 Doc 30

Loan No: 11800008159001

any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Mississippi without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of Mississippi.

Joint and Several Liability. All obligations of Borrower and Grantor under this Deed of Trust shall be joint and several, and all references to Grantor shall mean each and every Grantor, and all references to Borrower shall mean each and every Borrower. This means that each Grantor signing below is responsible for all obligations in this Dead of Trust.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a walver of such right or any and signed by Lender. No delay or omission on the part or Lender in exercising any right shall objected as a waiver of such right of any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any Instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any saverability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be fleggl, invalid, of unenforceable as to any other circumstance. It feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any other provision of this

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the

Time is of the Essence. Time is of the assence in the performance of this Deed of Trust.

Waive Jury. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Mississippi as to all Indebtedness secured by this Deed of Trust.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means REGIONS BANK, and its successors and assigns.

Borrower. The word "Borrower" means B & E Packing LLC and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Doed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor tender and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Died of Trust in the section stilled. "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comptinative Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., to other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Evant of Default. The words "Event of Default" mean any of the events of default set forth in this Dead of Trust in the events of default existing Indebtedness. The words "Existing Indebtedness" mean the indebtedness destribution the Existing Liens provision of this Dead of Trust.

Grantor. The word "Grantor" means JOHN SCOTT EDMONDSON.

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Improvements. The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Landat to discharge Chanton's obligations of expenses incurred by Trustace or Lender to enforce Granton's obligations under this Dead of Trust, together with interest on such amounts as provided in this Dead of Trust. Specifically, without limitation, Indebtedness includes all amounts that may be indirectly secured by the Cross-Colleteralization provision of this Deed of Trust.

Lender. The word "Lender" means REGIONS BANK, its successors and assigns.

Note. The word "Note" means the promissory note dated September 6, 2007, in the original principal amount of \$240,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement. The maturity date of the Note is June 15, 2022.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, Interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

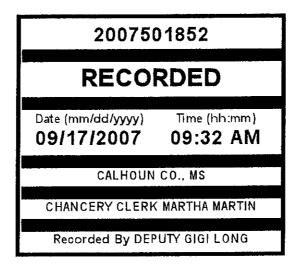
# ATTACHED DESCRIPTION RIDER FOR DEED OF TRUST

# John Scott Edmondson

1.14 acres, being the old home place of Paul L. Ellis and wife, Pauline E. Ellis located in the NE ¼ of Section 31, TWP 13 South, Range 1 East, Calhoun County, MS.

John Sut SIC







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## PROMISSORY NOTE

Pleferences in the shaded area are for Lander's use only and do not limit the applicability of this document to any particular loan or item.

Any item above combining """ has been omitted due to text length limitations.

Borrower:

John Scott Edmondeon 847 Hwy SE Vardaman, MS 36878 Lender:

UNION PLANTERS BANK, NATIONAL ASSOCIATION Cathoun City, MS Branch 211 N. Main Street

211 N. Main Street P. O. Box AA Cathoun City, MS 38916

Principal Amount: \$30,529.00

Initial Rate: 5.750%

Date of Note: July 8, 2002

PROMISE TO PAY. John Scott Edmondson ("Borrower") promises to pay to UNION PLANTERS BANK, NATIONAL ASSOCIATION ("Lander"), or order, in lawful money of the United States of America, the principal amount of Thirty Thousand Five Hundred Twenty-nine & 00/100 Dollars (\$30,528.00), together with interest on the unpeld principal balance from July 8, 2002, until paid in full.

PAYMENT. Subject to any payment changes resulting from changes in the Index, Borrower will pay this loan in 10 payments of \$4,115.40 each payment. Borrower's first payment is due July 8, 2003, and all subsequent payments are due on the same day of each year after that. Borrower's first payment will be due on July 8, 2012, and will be for all principel and all accrued interest not yet paid. Payments include principel and interest. Unless otherwise agreed or required by applicable the wire payments the applied first to accrued unpaid interest, then to principel, and any remaining amount to any unpaid collection costs and late charges. The annual interest rate for this Note is computed on a 365/800 basis; that is, by applying the ratio of the annual interest rate over a year of 300 days, multiplied by the actual number of days the principal balance, must be principal balance, must be principal balance, and principal payment in the principal balance, must be principal balance in writing.

ARRIABLE INTEREST RATE. The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the the highest base rate on corporate loans at large U.S. Money Center Commercial Banks that The Wall Street Journal publishes as the prime rate. (the "Index"). The index is not necessarily the lowest rate charged by Lander on its loans. If the index becomes unwaitable during the tarm of this loan, Lander may designate a substitute index after notice to Borrower. Lander well tall Borrower the current index rate upon Borrower's request. The interest rate change will not occur more often then each day. Borrower understands that Lender may make loans based on other rates as well. The index currently is 4.750% per annum. The interest rate to be applied to the unpaid principal basines of this Note will be at a rate of 1.000 percentage point over the index, resulting in an initial rate of 5.750% per annum. NOTICE: Under no chrumstances will the interest rate on this Note be more than the maximum rate allowed by applicable law. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to cover according interest. (C) increase the number of Borrower's payments, and (D) continue Borrower's payments at the same amount and increase Borrower's final payment.

PREPAYMENT, Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in withing, releve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal belance due and may result in Sofrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sinds such a payment, Lender may accept it without looking any of Lender's rights under this Note, and Borrower will remain obligated to pay fury further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment in eliginated the payment of the payment of the amount owed or that is tendered with other conditions or the sufficiency or as full satisfaction of a disputed amount must be maled or delivered to: UNION PLANTERS BANK, NATIONAL ASSOCIATION; Calhoun City, MS Branking 211 N, Main Street, P. O. Box AA; Calhoun City, MS Branking 211 N, Main Street, P. O. Box AA; Calhoun City, MS Branking 211 N, Main Street, P. O. Box AA; Calhoun Representation of the payment of

LATE CHARGE If a seyment is 15 days or more late, Borrower will be charged 6.000% of the regularly scheduled payment

INTEREST AFTER DEFAULT. Upon default, including feature to pay upon final maturity, the total sum due under this Note will bear interest from the date of acceleration of maturity at the variable interest rate on this Note. The interest rate will not exceed the maximum rate permitted by applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower falls to make any payment when due under this Note.

Other Detaults. Borrower falls to comply with or to perform any other term, obligation, coverant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, coverant or condition contained in any other agreement between

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's betati under this Note or the related documents is false or misteading in any material respect, either now or at the time made or furnished or becomes false or misteading at any time thereafter.

Death or Inselvency. The death of Borrower or the dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower's existence as a going business, the insolvency of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commonoment of any proceeding under any barishupty or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a gernishment of any of Borrower's eccounts, including deposit accounts, with Lender. However, this Event of Detault shall not apply if there is a good faith dispute by Borrower as to the validity or resonableness of the claim white is the basis of the creditor or forfeiture proceeding and it Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender mories or a surely bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Quarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surely, or accommodation party of any of the indebtedness or any guarantor, endorser, surely, or accommodation party dies or becomes incompetent, or revolves or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of a death, Lender, at its option, may, but shall not be required to, permit the guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, ours any Event of Default.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insecurity, Lander in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the precading twelve (12) months, it may be cured (and no event of default with have occurred) if Borrower, after receiving written notice from Lender dementing cure of such default. (1) curse the default within fifteen (15) days; or (2) if the cure requires more than iffeen (15) days; hymedistally killstate steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reseonable and necessary steps sufficient to produce compliance as soon as responsibly practical.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal belance on this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone size to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Londer's attorneys' less and Lender's legal expenses, whether or not there is a tersual, including attorneys' fees, expenses for beninciptcy proceedings (including efforts) to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

JURY WARVER. Lender and Borrower hereby waive the right to any jury trist in any action, proceeding, or counterclaim brought by either Lender or Borrower against the other.

GOYERIANG LAW. This Note will be governed by, construed and enforced in accordance with federal law and the laws of the State of Mississippi. This Note has been accepted by Lender in the State of Mississippi.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lander's request to submit to the jurisdiction of the courts of Caliboun County, State of Mississippi.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lander reserves a right of setoff in all Borrower's accounts with Lander (whether checking, servings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in

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> PROMISSORY NOTE (Continued)

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Loan No: 18083811350

the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this

COLLATERAL. Borrower acknowledges this Note is secured by the following contesteral described in the security instrument listed herein, all the terms and conditions of which are breeby incorporated and made a part of this Note: a Deed of Trust dated July 8, 2002, to a trustee in favor of Lender on real property located in Calhoun County, State of Mississippi.

real property located in Calhoun County, State of Mississippi.

ARBITRATION. Bofrower and Lender agree that all disputes, claims and controversias between them whether individual, joint, or class in nature, arising from this Note or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Prutes of the American Arbitration Association in effect at the time the claim is filled, upon request of either party. No act to take or dispose of any contracts accurring this Note shall constitute a waiver of this expiration agreement or be prohibited by this arbitration agreement. This contracts accurring this Note shall constitute a waiver of this expiration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temptoary restricting or proving a power of sale under any dead of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to be under any dead of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to be under any dead of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to be under any collateral securing this Note, shall size be arbitrated, including any claim to receivel, referring the levitations with Note, shall size the arbitration of any actual provided however that no arbitrated shall have the right or the power to anjoin or restrain any set of any party. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Noting in this Note shall proclude any party from section of competent jurisdiction. The statute of limitations, satoppel, waiver, isones, and similar doctrines which would equitation proceeding shall be dearned the commenced of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this Note

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and easigns, and shall incre to the benefit of Lender and its successors and assigns.

NOTIFY US OF RIACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Please notity us it we report any inecourate information about your account(s) to a consumer reporting agency. Your written notice describing the specific insecuracy(ses) should be sent to us at the following address: UNION PLANTERS BANK, NATIONAL ASSOCIATION, Calhoun City, MS Branch, 211 N. Main Street, P. O. Box AA, Calhoun City, MS 38916

City, who deems.

GENERAL PROVISIONS. Lander may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Sorrower and any other person who signs, guarantees or endorsee this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of other person who signs, guarantees or endorsee this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties of that capture may renew or extant (repeatedly and for any tength of time) this lose or release any party or guarantor or colliseral; or impair, tall to realize upon or perfect Lender's security interest in the for any tength of time) this lose or release any genty or guarantor or colliseral; or impair, tall to realize upon or perfect Lender's security interest in the collistens; and take any other action deemed necessary by Lender without the consent of one. All such parties also agree that Lender may modify this lose writhout the consent of or notice to anyone. The obligations under this Note are joint and several.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, INCLUDING THE VARIABLE INTEREST RATE PROVISIONS. BORROWER AGREES TO THE TERMS OF THE NOTE.

LANSE PRO Landay, No. 6,0000,00 Cape, hashed Proceed Baldoon, on staff, Staff, in Region Recovery. - 300 Architectures (Rectable Process)

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

x John Scott Elmondron

Case 10-12405-DWH5 1096 30 Filed 06/25/10 Entered 06/28/10 10:00:51 Desc Main Document Page 51 of 56

RECORDATION REQUESTED BY: UNION PLANTERS BANK, NATIONAL ASSOCIATION Calhoun City, M8 Branch 211 N. Main Street P. O. Box, AA

Calhoun City, MS 38918

WHEN RECORDED MAIL TO: Union Planters Bank, National Association 728 Malrose Avenue Nachville, TN 37211

CALHOUN COUNTY, MISSISSIPPI THIS INSTRUMENT WAS FILED FOR RECORD.

AT \$45 O'CLOCK H. M. ON THE 10 DAY OF July 2002 AND WAS RECORDED THIS THE 10 DAY OF July 2004 IN OT BOOK A 2004 IN OT PAGE V& 173 MARTHA MARTIN, CHANCERY CLERK D.C.

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

This Deed of Trust prepared by:

UNION PLANTERS BANK, NATIONAL ASSOCIATION 211 N. Mein Stree

:,

Calhoun City, MS 38916 (662) 628-5181

NOTE TO CHANCERY CLERK: 1.14 scree, located in the NE 1/4 of the NW 1/4 of Section 31, Twp. 13 South, Range 1 East, Cathoun County,

### DEED OF TRUST

MAXIMUM LIEN. The Ilen of this Deed of Trust shall not exceed at any one time \$30,529.00.

THIS DEED OF TRUST is dated July 8, 2002, among John Scott Edmondson ("Grentor"); UNION PLANTERS BANK, NATIONAL ASSOCIATION, whose address is Calhoun City, MS Branch, 211 N. Main Street, P. O. Box AA, Calhoun City, MS 38916 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and Mel Westerfield, whose address is 4270 i-55 North, Suite 201, Jackson, MS 39225 (referred to below as "Trustee").

CONVEYANCE AND GRANT. For valuable consideration, Grantor conveys to Trustee for the benefit of Lender as Beneficiary all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all susements, rights of way, and apputenances; all water, water rights and ditch rights (including attock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Calhoun County, State of Mississippi:

1.14 acres, being the old home place of Paul L. Ellis and wife, Pauline E. Ellis located in the NE 1/4 of Section 31, Twp. 13 South, Range 1 East, Calhoun County, MS

The Real Property or its address is commonly known as 115 County Road 429, Vardaman, MS 38878.

Grantor presently assigns to Lender (also known as Beneficiary in this Deed of Trust) all of Grantor's right, title, and interest in and to all present and future leases of the Property and all Rents from the Property. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDESTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Grantor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note, this Deed of Trust, and the

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property.

Duty to Maintain. Grantor shall maintain the Property in tenentable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Recessary to preserve its value.

Comptiance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenent, contractor, egent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor suthorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or lests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warvanties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and walves any future claims against Lender

Nuisance, Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of improvements. Grantor shall not demolish or remove any improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace

such improvements with reprovements of at least agual value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's Interests and so respectition. The property for purposes of Grantor's compliance with the terms and conditions of this Dead of Trust.

Compliance with Governmental Requirements: Grantor shall property compty with all laws, ordinances, and regulators, now or hereafter in effect, of all governmental Requirements: Grantor shall property of the Property, including without limitation, the Americans With Disabilities Act. Grenter may, combine in good faith any spot, law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, and long as Grantor has including property are not property are not property are not property. Canter may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender's interests.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust

Payment. Gramtor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, essesments, charges (including water and sewer), fines and impositions leviad against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all items having priority over or equal to the interest of Lender under this Deed of Trust, except for the sen of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lénder cash or a sufficient corporate surely bond or other security satisfactory to Lénder in an amount sufficient of discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligue under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's iten, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can end will pay the cost of such improvements

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any consurance clause, and with a standard mortgage clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance, additionally, Grantor shall maintain euch other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amountar, coverages and basis reasonably acceptable to Lender insurance, as Lender may reasonably acceptable to Lender, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Director of the Faderal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood insurance, if available, within 45 days after notice is given by Lender that the Property is located in a special flood hazard area, for the full unpaid principal belance of the loan and any prior liene on the property securing the loan, up to the maximum policy load. Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a

Application of Proceeds, Grantor shall promptly notify Lender of any loss or damage to the Property, Lender may make proof of lose if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair of the Property. It Lender elects to apply the proceeds to restoration and repair, Grantor shall repair or replace the damaged or destroyed improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or retirburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the indebtedness. If Lender holds any proceeds after payment in full of the indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear. proceeds shall be paid to Grantor as Grantor's interests may appear.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

ENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor falls to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's fallure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, malimating and preserving the Property. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the indebtachase and, at Lender's option, will (A) be payable on demand; (B) be added to the belance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust size will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lander marks.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and obtains the full right. deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Granior warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such

Page 3

steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by coursel of its own choice, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in fleu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and confinue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the indebtedness secured by this Deed of Trust; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the indebtedness or on payments of principal and interest made by Grantor.

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remadles for an Event of Default as provided below unless Grantor (1) pays the tax beingly it to become delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surely bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes futures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

currity interest. Upon request by Lender, Grantor shall execute financing statements and take whatever other action is requested by Lender to Security Interest. Upon request by Lender, Grantor shall execute financing statements and take whatever other action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantior, file executed counterparts, copies or reproductions of this Deed of trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall assemble any Personal Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest pranted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Granne Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortigages, and the such offices are the such designees. referenced, as the case may be, at such urner and in such omices and places as Lender may deem appropriate, any and as such morgages, deads of trust, security deeds, security agreements, financing statements, continuation statements of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perserve (1). Grantor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters

Attorney-in-Fact. If Grantor falls to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Any reconveyance fee required by little shall be paid by Grantor, if permitted by applicable law.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Grantor falls to make any payment when due under the Indebtedness

Other Defaults. Grantor falls to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent fling of or to effect discharge of any lien.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Deed of Trust or the Related Documents is false or misleading in any meterial respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defactive Collateralization. This Deed of Trust or any of the Related Documents ceases to be in fulf force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The death of Grantor, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency

Creditor or Fortetture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the indebtedness. This includes a garrishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Events Affecting Quarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetant, or revokes or disputes the validity of, or liability under, any Quaranty of the indebtedness. In the event of a death, Lender, at its option, may, but shall not be required to, permit the guarantor's setate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance

of the indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If such a failure is curable and if Grantor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured (and no Event of Default will have occurred) if Grantor, after Lender sends written notice demanding cure of such failure: (a) cures the failure within fifteen (15) days; or (b) if the cure requires more than fifteen (15) days, immediately initiates at easonable and necessary at easonable sufficient to cure the failure and thereafter continues and completes all reasonable and necessary at easonable practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate indebtedness. Lender shall have the right at its option without notice to Grantor to declare the entire indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

Sale of Property. Grantor waives the provisions of Section 89-1-66, Mississippi Code of 1972, as amended, and any successor provisions, as far as said Section restricts the right of Trustee to offer at sale more than one hundred and shitly acres at a time, and Trustee may offer the Property as a whole or in part and in such order as the Trustee may deem best, regardless of the manner in which it may be described.

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall, at the request of Lander, sell the Real Property after giving notice of the time, place and terms of sale as required by Section 89-1-55 of the Mississippi Code of 1972, as amended, and any successor provisions, and execute a deed to the purchaser of the Real Property. Out of the proceeds arising from the sale, the costs and expenses of executing this Deed of Trust, including a reasonable Trustee's fee and the attorneys' fees prescribed in the Note or in this Deed of Trust, shall first be paid; next the amount of the Indebtadness then remaining unpaid shall be paid; and, fastly, any balance remaining shall be paid to Grantor or to Grantor's representatives agents or assigns.

UCC Ramedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Applifit Receiver, Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreolosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall avait whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Tenancy at Sufference. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufference of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of Lender.

Other Remedies. Trustee or Lander shall have any other right or remedy provided in this Deed of Trust or the Note or by law.

Notice of Sale. Lander shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of Personal Property may be made in conjunction with any sale of the Real

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the indebtechess payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor stee will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee are part of this Deed of Trust.

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of Cathoun County, State of Mississippi. The instrument shall contain, in addition to all other matters requised by state taw, the names of the original Lender, Trustee, and Grantor, the book and page where this Deed of Trust is recorded, and the name and address of the successor trustee, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable lew. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

NOTICES. Any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefaceimile (unless otherwise required by law), when deposited with a nationally recognized overnight counter, or, if maked, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of sny lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require.

"Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Property.

Arbitration. Granter and Lender agree that all disputes, claims and controversies between them whether individual, joint, or class in nature, arising from this Deed of Trust or otherwise, including without limitation contract and tort disputes, shall be arbitrated pursuant to the Property ahall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any dead of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicals process pursuant to Article 9 of the Uniform Commercial Code. Any disposing, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any proyetly, including any claim to reached, reform, or otherwise modify any agreement relating to the Property, shall also be arbitrated, rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Deed of Trust shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, taches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.

Caption Headings. Gaption headings in this Deed of Trust are for convenience oursease only and are not to be used to interpret or define the

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lander in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by, construed and enforced in accordance with federal law and the laws of the State of Misalssippi. This Deed of Trust has been accepted by Lender in the State of Misalssippi.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Calhoun County, State of Mississippi,

No Walver by Lender. Lender shall not be deemed to have walved any rights under this Deed of Trust unless such walver is given in writing and No Walver by Lender. Lender shall not be deemed to have walved any rights under this Deed of Trust unless such walver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a walver of such right or any other right. A walver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a walver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior walver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a walver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Wherever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any other provision of this Deed of Trust.

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or fiability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waive Jury. All parties to this Deed of Trust hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

Waiver of Homestead Examption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Mississippi as to all indebtedness secured by this Deed of Trust.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the primal shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means UNION PLANTERS BANK, NATIONAL ASSOCIATION, and its successors and assigns.

Borrower. The word "Borrower" means John Scott Edmondeon, and all other persons and entities signing the Note in whatever capacity.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and Rents.

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Comprehensive, and Liability Act of 1980, as amended, 42 U.S.C. Section 9801, et seq. ("CERCLA"), the Superlund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 8901, et seq., or other applicable stats or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust

Grantor. The word "Grantor" means John Scott Edmondson.

Quaranty. The word "Guaranty" means the guaranty from guarantor, endorser, surety, or accommodation party to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard'in human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereon and ashesting.

improvements. The word "improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real Property.

indebtedness. The word "indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and autsetitutions for the Note or Related Documents and any amounts expended or advanced by Lander to discharge Grantor's obligations or expenses incurred by Trustse or Lander to enforce Grantor's obligations under this Deed of Trust, logether with interest on such amounts as provided in this Deed of Trust.

Lander. The word "Lander" means UNION PLANTERS BANK, NATIONAL ASSOCIATION, its successors and assigns.

Note. The word "Note" means the promissory note dated July 8, 2002, in the original principal amount of \$30,529.00 from Grantor

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to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory nots or agreement. The maturity date of the Note is July 8, 2012.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" meen all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the

Trustee. The word "Trustee" means Mel Westerfield, whose address is 4270 I-55 North, Suite 201, Jackson, MS 39225 and any substitute or successor trustees.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

INDIVIDUAL ACKNOWLEDGMENT

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signed authority in and for the said County and State, on this within my jurisdiction, the within named John Scott Edmondson, who acknowledged that he or she sover and foregoing Deed of Trust for the purposes mentioned on the day and year therein mentioned.